

SAFETY

Reducing waste: organization in a time of crisis

Given the general downturn in consumer markets, thinking that companies invest in their own organization in order to improve performance in the realm of occupational health and safety and environmental protection rather than to ensure respect of the laws concerning balance sheets, etc., seems utopian. Even the models exonerating companies from direct responsibility established by European directives and, less explicitly, by legislature originating from the USA that are seen as a sort of "insurance" coverage by entrepreneurs, seem to clash with more encompassing themes of companies' survival on the market. These are not easy times, and the situation does not show signs of improvement in the short-term; hence, extreme prudence is more than justified.

Alessandro Mazzeranghi – MECQ S.r.l.

Unless we consider more substantial aspects, it's difficult for a small, medium or large-size company today to decide to invest in organizational growth oriented towards themes retained - correctly so - transversal compared to their core business. In other words, we can safely state that transversal themes become absolutely relevant when business is good and the chances for development are positive, while in moments of crisis, they lose importance.

To continue speaking about these topics - to continue keeping them alive inside companies - it is necessary to "invent" a new way of reasoning that justifies them both with the management and with the workers who have seen colleagues laid off or even dismissed from the company. The common thought is "I don't understand: you fire your faithful collaborators and at the same time you're paying for consultancy services and investing internal resources in organizational improvement?"

THE TRADITIONAL VISION. In the past, some considerations that have flashed through the minds of entrepreneurs while assessing whether or not to implement an organizational model or a management system were:

- An organizational model that exonerates from corporate responsibility (punishability) is a good assurance.
- ISO 9001 Certification? Indispensable, my main customer wants it.
- ISO 14001 Certification? It's something society likes because it is afraid we are polluting.
- ...

In other words, the main motivation was external to the company and the activities of implementation, application and maintenance were seen as costs. And indeed they were costs, at least in those cases where the systems were designed as superstructures aimed at controlling what takes place rather than improving the way one operates. This approach entails evident application costs, apart from the effort necessary for their implementation. And it is a vision of the entire non-business argument that we could simply call reactive (to external requests).

THE "NEW" VISION. Unless we consider the issue of company organization through a business point of view, what has been said above remains true and the action of implementing organizational models/management systems in this context has absolutely no sense!

A focal point: if we cannot unite the different aspects of business management into a homogeneous and efficient ensemble, the chances for real organizational development fall short because every move would generate inefficiency. It is hence inevitable to implement a unique business operation model that contains all the aspects deriving from the company's own production needs, from binding laws and from customer demands. And all this with a view towards continuous improvement of the company's performance.

We have mentioned what the requisites of a real quality management system would be, which should actually touch upon almost every aspect of business management. So, why not take a step back and return to speaking about business management and all its aspects? But how can we treat the topic in coherent but yet sufficiently simple fashion in order to avoid getting lost in more or less abstruse philosophies?

The first thing is and remains risk assessment: what are the risks the company is exposed to that could hamper business continuity? Personally, I wonder which companies have performed a 360° analysis of this type instead of a sectorial analysis. In many companies without a top level of exposure but perhaps with exposure in many different sec-

tors, this is not a good starting point.

LET'S LOOK AT SOME EXAMPLES OF RISK AREAS:

- Safety / healthiness of the product
- Correctness of the investments (and hence also of market forecasts); we have witnessed many mistakes in the last ten years in our field ...
- Safety and health on the job.
- Management of public financings.
- Environmental safeguard and pollution prevention.
- Reduction of production costs (consider the micro-stops during the converting process).
- Guarantee of continuity of production (i.e., the guarantee that critical systems such a paper machine, for example, do not stop unexpectedly).
- ...

These are very different issues one from the other, but they can be influenced by the same business processes and must hence be controlled organically.

So if the first step is to define risks (but also opportunities perhaps) that characterize a given business reality, the second is to identify the processes that can contribute to preventing such risks. And this is the crucial point to efficiency.

Those who have for years been involved in safety, quality or other transversal aspects of the production process per se know very well that controlling a process in order to avoid dangerous errors or "omissions" is not difficult, theoretically. Instead, in practice, problems ensue that are often due to scarce commitment by the management who, for example, wants the ISO 9001 certification, but in reality does not believe in it too much.

And here is where the approach must change: if I manage everything together, I will no longer have some aspects that are considered more important, and others that are retained scarcely so. Everything will have the same degree of relevance. This is no novelty: many large companies try to work this way but first of all, they often do not succeed and secondly, they adopt approaches that are often too complex to be replicated in medium-size companies - and there are many of these in the tissue field.

The issue must be tackled in a simple way, without upsetting the modus operandi that characterizes companies in this field. So, after having identified critical risks and processes, we must first describe such processes in order to understand where risks can be generated. This should be a simple description of the sequence of activities that constitute the process, of the responsibilities, the inputs and outputs, adding any controls aimed at risk prevention.

CONCLUSIONS: BEYOND RISK PREVENTION. Up until now, we have evaded an extremely important aspect: can this activity of putting processes under control in order to contain business risks yield further benefits? Is it possible to exceed the concept of risk prevention in order to pass on to an improvement approach of the organization?

Let's consider two, for many aspects, critical processes (risks): investments and maintenance. These are processes where the omission of a control or an error in the sequence of activities can entail considerable damage or loss of opportunities for a company. If everyone works in homogeneous fashion, surely risks are reduced and efficiency is increased (or, if we want, the activities aimed at correcting errors - which can often entail unexpected costs - are reduced). Basically, we must define a lean organization that answers all the actual needs of business operation, and in so doing also allows preventing risks.

This is probably the only solution available to face certain topics without going against management's current cost reduction objectives, which involve the entire tissue sector as well as many other industrial fields. •