

**NAEM - the Premier Association for
EHS Management**

**2007 EHS MIS WORKSHOP
EHS MIS SURVEY RESULTS**



Survey Overview



- ◆ Online Survey Sent to NAEM Membership Plus
- ◆ 113 respondents – 96 respondents with meaningful data
- ◆ Questions in the following Categories
 - Section I - Organizational Information
 - Section IIA – Current EHS Systems
 - Section IIB – Technology Infrastructure
 - Section III – Quantifying Value
 - Section IV – Current Issues

Organizational Information



Respondent Company Profile



	2001	2005	2007
Number of Respondents		apx 80	apx 96
with 1,000 - 50,000 employees		74%	65%
with over 10,000 employees	57%		60%
with revenue \$1B-\$10B	44%	44%	43%
with revenue > \$10B	21%	21%	29%
multinational		79%	80%
with integrated EHS department (vs. separate E, H, S)	54%	69%	67%

Respondent Company Profile



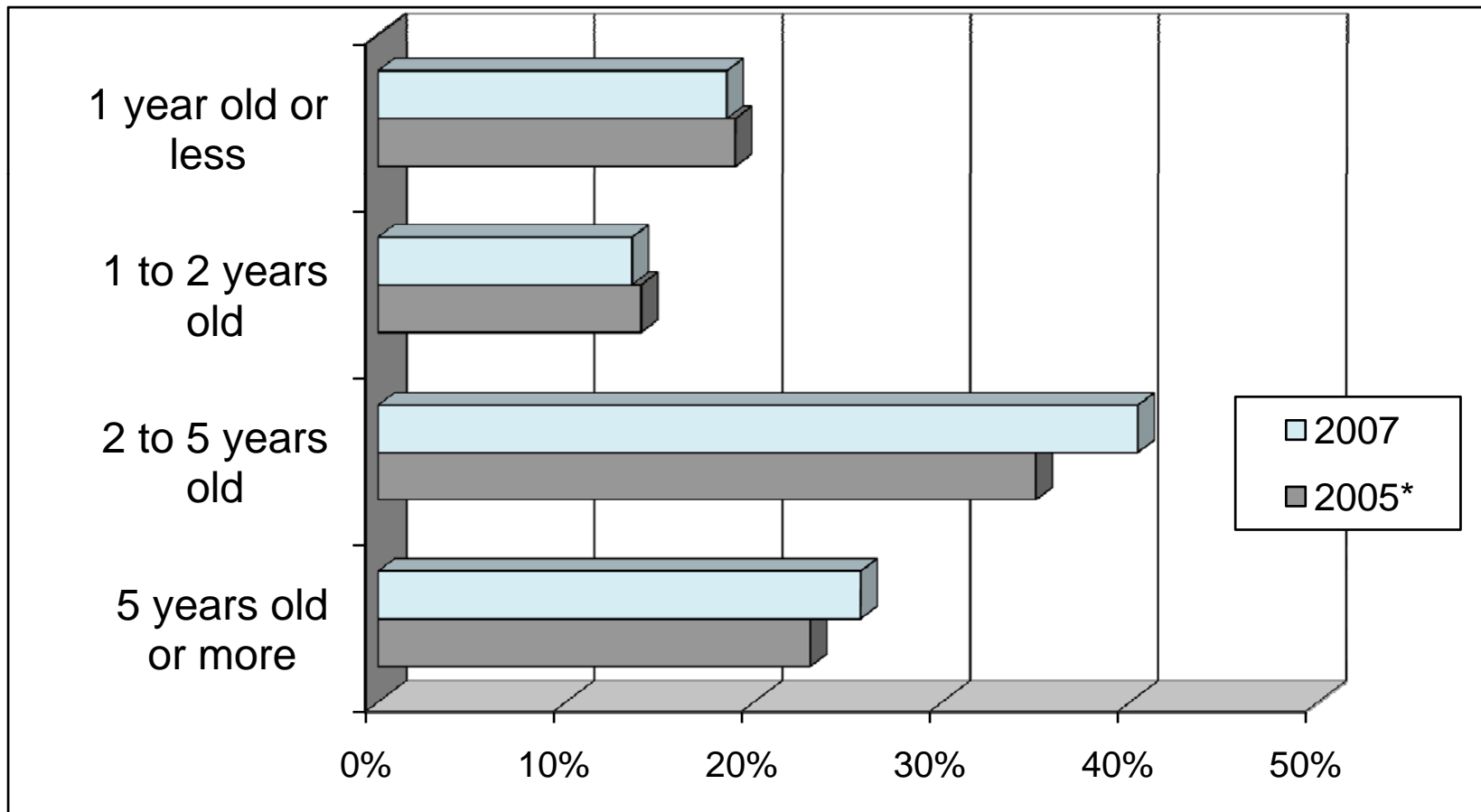
	2001	2005	2007
with 1-9 sites		31%	14%
with 10-99 sites		47%	57%
with 100+ sites		22%	29%

Business Sector	Count	Percent
Manufacturing - Other non-electronic	43	45%
Energy	9	9%
All other choices	44	46%

Technology Infrastructure



Relative Age of EHS MIS Applications





Technology Infrastructure

A shift to the web browser, away from Access

- ◆ Access less widely used as primary interface and primary database

■ Interface	<u>2005</u> 31%	<u>2007</u> 14%
■ Primary db	<u>2005</u> 40%	<u>2007</u> 29%

- ◆ User interface shifts to the web browser

■ Interface	<u>2005</u> 27%	<u>2007</u> 49%
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Technology Infrastructure



- ◆ Externally hosted applications more accepted

Deployment Methods	2005	2007
Intranet (internal hosting, internal users)	89%	64%
ASP (external hosting)	11%	24%
Extranet (internal hosting, external users)	11%	14%



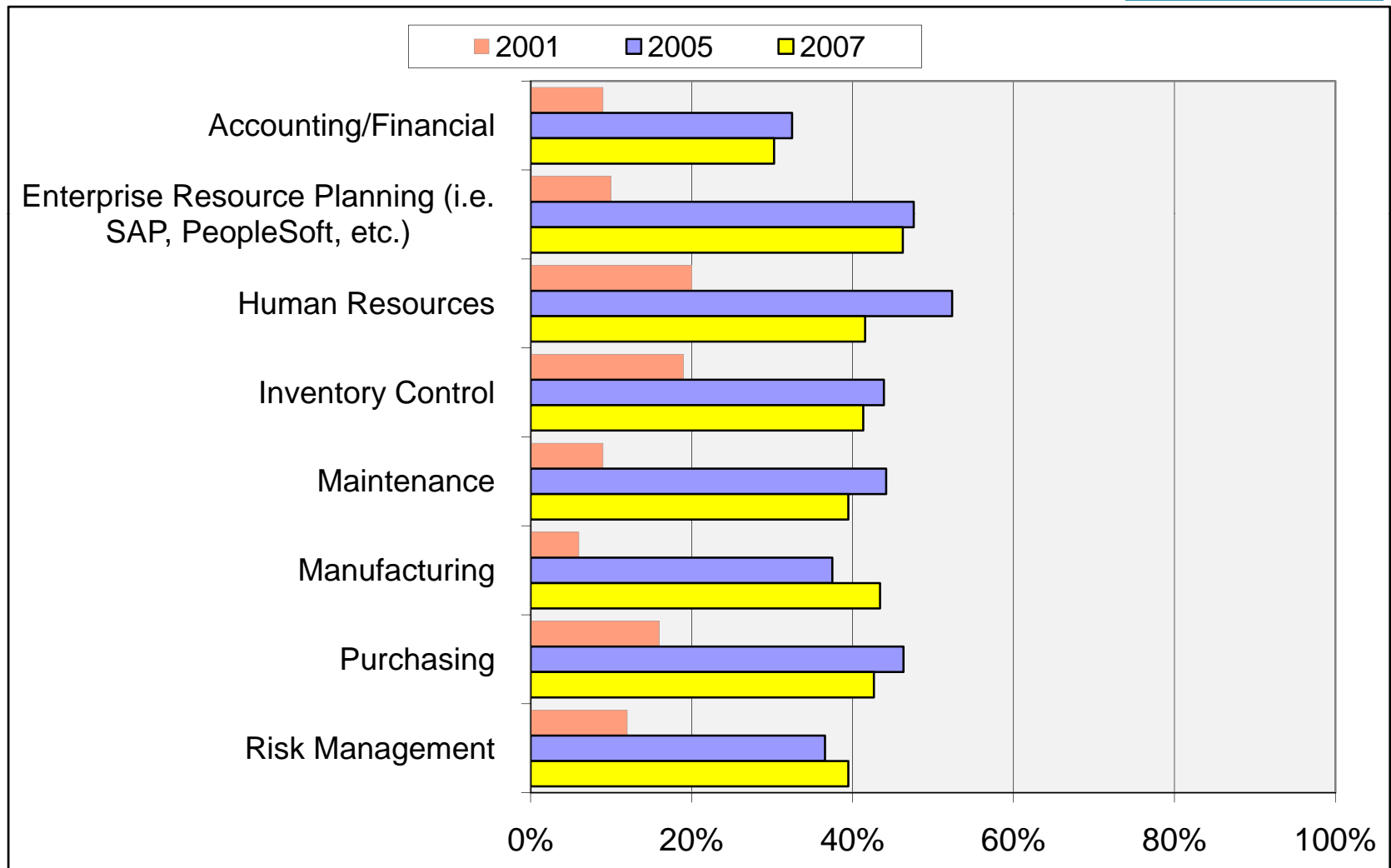
ERP Integration

- ◆ Most respondents do **not** plan to integrate with other company systems, especially accounting

Integration Achieved, or Planned, with Other Systems

	2005	2007
Accounting/Financial	33%	30%
ERP (i.e. SAP, PeopleSoft, etc.)	48%	46%
Human Resources	52%	42%
Inventory Control	44%	41%
Maintenance	44%	39%
Manufacturing	38%	43%
Purchasing	46%	43%
Risk Management	37%	39%

System Integration Comparison



Current EHS Systems



Most Requested Information



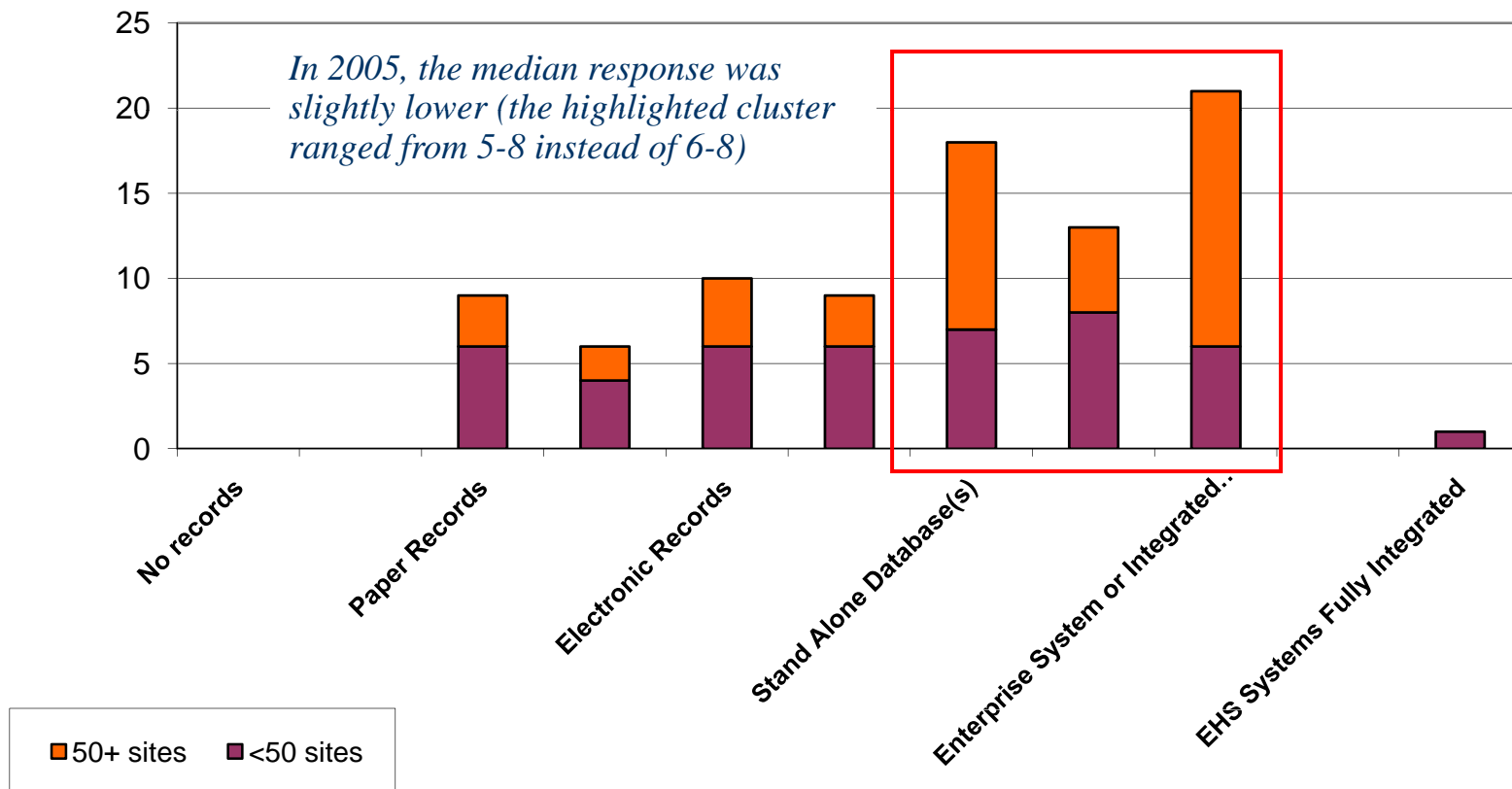
What information are EHS Managers asked for?

Incident statistics	71
Notice-of-violation statistics	48
Compliance targets/objectives	45
Sustainability Metrics for Environmental Reporting	42
EHS cost information	29
Regulatory Updates	28
Other statistics (please specify)	13

EHS MIS Sophistication



- ◆ On a scale of 0 to 10, rate the level of overall EHS MIS process sophistication



Frequency of Implementation



◆ Top 15 Most Implemented Applications (All levels)

	Count	Effectiveness
EMS or ISO 14001 Management System	46	6.9
Injury & Illness Incident Statistics	64	6.8
Emergency Management & Preparedness	38	6.7
EHS Auditing	58	6.7
NOV Tracking	49	6.4
Non-Conformance Statistics	40	6.4
Wastewater/Stormwater Management	36	6.3
EHS Project Management	27	6.3
Air Emissions Management	46	6.2
MSDS Creation - Outbound for Customers	69	6.2

EHS MIS Applications Implementation and Effectiveness



◆ Question :

- Please indicate which electronic EHS Information systems you have in your organization to support the EHS functions, and at what level.
- For the ones that you have, please identify by checking if they are implemented at a specific plant or facility, specific division, enterprise wide, or not applicable (N/A).
- Then rank your perception of the relative effectiveness of each system (10 being highest, 1 being lowest).

Implementation Within the Organization



	Enterprise	Division	Plant
Injury & Illness Incident Statistics	48	8	
Performance Metrics	49	7	
EHS Documents/ Knowledge Base	43	6	
EHS Auditing	47	7	
Training Tracking (EHS)		10	26

Number of reported implementations



Effectiveness

◆ Top 15 Most Effective Applications (All levels)

	Count	Effectiveness
EMS or ISO 14001 Management System	46	6.9
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NOV Tracking	49	6.4
Non-Conformance Statistics	40	6.4
Wastewater/Stormwater Management	36	6.3
EHS Project Management	27	6.3
Air Emissions Management	46	6.2
MSDS Creation - Outbound for Customers	69	6.2
Performance Metrics	61	6.2
Incident Management	53	6.1
Regulatory Tracking Calendar	49	6.1
EHS Documents/ Knowledge Base	59	6.0
Risk Management	33	6.0

Quantifying Value



EHS MIS Budget



EHS MIS Budget

	Corporate	Facility	Total
Less than \$10,000	11	38	6
\$10,000-\$50,000	16	8	14
\$50,000-\$100,000	14	8	14
\$100,000-\$500,000	20	0	13
\$500,000-\$1 Million	6	2	9
\$1-10 Million	7	0	7
Over \$10 Million	0	0	1

EHS MIS Budget by Annual Sales



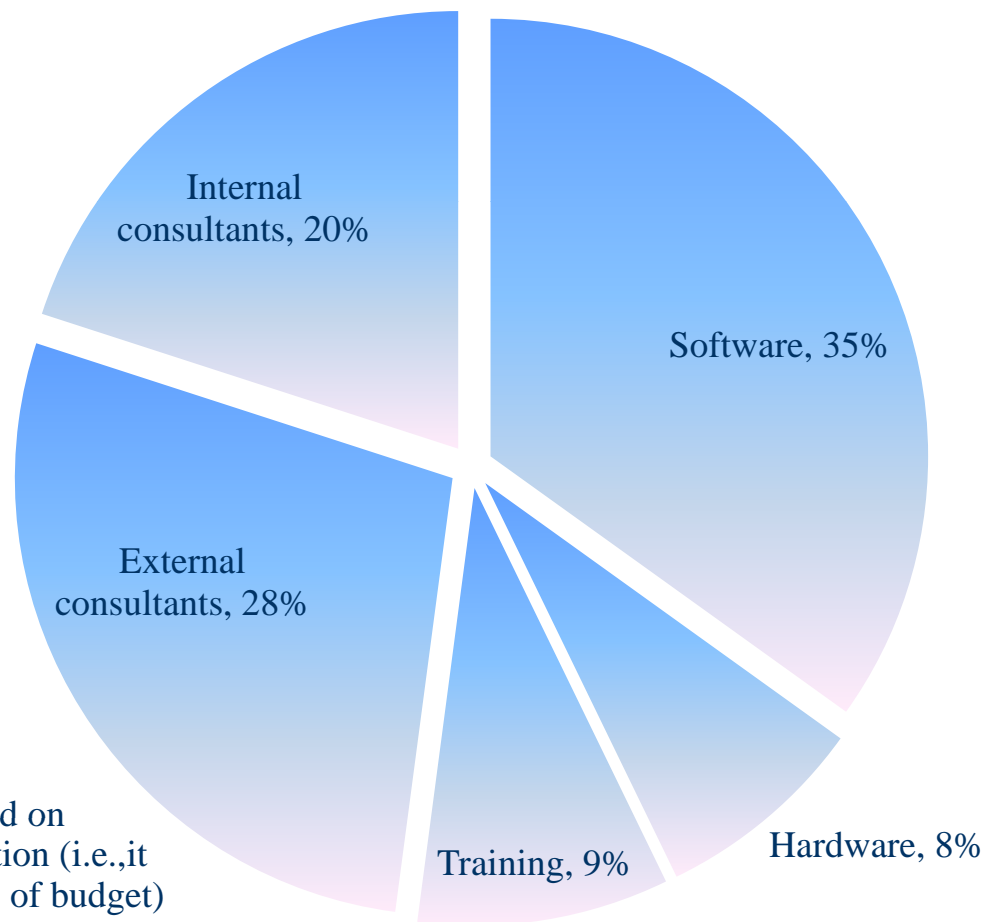
		EHS MIS Budget						Grand Total
		Less than \$10,000	\$10,000-\$50,000	\$50,000-\$100,000	\$100,000-\$500,000	\$500,000-\$1 Million	\$1-10 Million	
Total Sales	Less than \$10 Million			1				1
	\$10-\$50 Million							0
	\$50-\$250 Million	3		1	1			5
	\$250-\$500 Million	1	1		2			4
	\$500 Million-\$1 Billion	3	2	1	2			8
	\$1-10 Billion	3	8	7	9	3	3	33
	\$10 - \$50 Billion	1	3	2	5	2	3	16
	Over \$50 Billion			2	1	1	1	5
Grand Total		11	14	14	20	6	7	72

Allocation of Total Budget



	Software	Hardware	Training	External consultants	Internal consultants
0-5%	7	20	17	9	9
5-10%	10	12	13	8	10
10-20%	14	9	18	12	9
20-40%	14	6	3	16	12
40-60%	7	0	1	5	5
60-80%	8	0	0	7	4
80-100%	8	0	0	4	2

Estimated Typical EHS MIS Budget Allocation



This estimation is based on reported budget allocation (i.e., it is not weighted by size of budget)

Funding Development: When and What?



	Audit	Incident	Process/ Change Mgt.	Resources	Training
Do not plan to develop	20	21	29	24	20
Next 12 months	17	21	4	13	12
12-24 months	10	11	16	9	22
More than 24 months	12	11	12	13	9

Current Issues





Current Issues

Question: What needs are not being met by your EHS MIS?

External contractor/supplier access	37
Document Management	35
Compliance Permit reporting/printing	35
EMS Requirements	34
EHS roll-ups and reporting	34
Training	33
Compliance/Incident Tracking	22
Other (please specify)	6

Summary of Findings



- ◆ Move from Access-based systems to web-based systems
- ◆ Less integration with enterprise systems
- ◆ Larger EHS MIS budgets than 2005
- ◆ Slight shift towards maturing systems & EHS MIS process sophistication
- ◆ External hosting of systems increasing



Questions/Comments

