

Integrated Case Studies - II (MB3J2) : January 2009

Case Study (100 Marks)

This section consists of questions with serial number 1 - 5.

Answer all questions.

Marks are indicated against each question.

Read the case carefully and answer the following questions:

a. The panel believes that BP has not provided effective safety culture and has not adequately established process safety as a core value across all its US refineries. In this context, explain the significance of safety culture with respect to personal and process safety. marks (10)

b. What according to you could be the essential elements of a strong safety culture and in the light of these elements, discuss the failure of BP. Also, in your opinion, what should Tony Hayward do to counter the criticisms raised against BP's process safety systems and culture? marks (12)

2. In 2000 BP Amoco rebranded itself as "bp: beyond petroleum" which earned rich accolades for BP. However, some of its critics dismissed it as a "greenwashing" effort. In this regard, discuss whether BP's move was an indicator of being environmental friendly company or a cynical attempt to manage its reputation i.e., a PR gimmick to improve image. (20marks)

The case refers to the expression "It-can't-happen-here" and the concept of "Step-up supervisors"

3. >a. Discuss, according to you, how an HR manager can deal with the "It-can't-happen-here" mentality which is widespread in an organization. marks(10)

b. Discuss the rationale behind using "Step-up supervisors" in day-to-day operations.marks (10)

4. BP encountered a decline in its production levels and the company's share price after a series of accidents in their refineries. Explain the impacts (in terms of financial, operational, etc.) of not adhering to safety and also explain the short-term measures taken by BP to deal with the accidents. (18marks)

a. The concept of sustainable development is becoming synonymous with corporate responsibility and best business practices. Elucidate the reasons for an organization to have an integrated and responsible approach to governance, ethics and sustainability. marks (10)

b. Recent safety crises in BP refineries in Texas and Pudhore Bay in Alaska have turned the spotlight on core values such as governance, ethics and sustainability. Why did BP fail to live up to the expectations of superior core values? Also, discuss the probable guidelines for effective governance that should be put in place by BP for the adherence of the core values. marks (10)