



Safripol (Pty) Ltd has been certified as a Best Employer South Africa 2011.

What our research finds:

Introduction

Safripol is one of South Africa's leading manufacturers of two essential products used by the plastics conversion industry as its primary input: polypropylene (PP) and high-density polyethylene (HDPE). These polymers form the basis of virtually every plastic item produced. Apart from its advanced technology, the high quality of its products and its environmental responsibility, Safripol is characterised by stability and the high level of engagement of its workforce. Although a relatively young company, Safripol has a maturity beyond its years.

Critical Business Facts

- Total Number of Staff Employed (full-time): 263
- Annual Turnover in Rands for 2010 (RSA only): R2,76 billion
- Industry Sector: Chemical
- Geographic Areas of Operation: Free State/ Gauteng
- B-BBEE Scorecard Rating: Level 5

Scoring from the Research

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| Primary Benefits | ★ ★ ★ ★ ★ |
| Secondary Benefits and Working Conditions | ★ ★ ★ ★ ★ |
| Training and Development | ★ ★ ★ ★ ★ |
| Career Development | ★ ★ ★ ★ ★ |
| Company Culture | ★ ★ ★ ★ ★ |
| Diversity | ★ ★ ★ ★ ★ |

Reasons for Excellence

- A deeply embedded culture of continuous improvement
- A highly engaged workforce
- A strong employer brand



Safripol at a glance

Established almost 40 years ago as a joint venture between Hoechst SA and Sentrachem Ltd, the company was acquired by The Dow Chemical Company (Dow) in 1997. Nine years later Dow reviewed its strategy with regard to emerging markets. Joaquin Schoch, a former Dow executive, formed a consortium comprising the management team of Safripol and ABSA Capital. Together they bought the company from Dow. The company is currently in a restructuring and re-organisational phase in a bid to get its two divisions working more efficiently together, to avoid duplication and to ensure greater synergies. The process is expected to take approximately 18 months to complete.

Safripol is recognised as a leader in its industry. The company manufactures some two-thirds of the HDPE and more than one-third of the PP utilised by the plastics converting industry to produce a vast range of durable, versatile and cost-efficient products. These include packaging and building materials as well as automotive components and finished consumer items. Safripol's inputs are by-products of oil-refining and the coal-to-liquid process. Using licensed state-of-the-art technology from Lyondell-Basell

and Dow – the world's two largest plastics manufacturers – and more recently Qenos, it produces a wide variety of grades of PP and HDPE, each with specific qualities required for different applications. Continuous research and development ensure that its processes and products continue to evolve.

Innovation and accountability

Safripol has implemented best-practice processes for virtually every aspect of its business. It has also, however, gone to great lengths to nurture personal accountability and foster a sense of individual empowerment. A fine balance has been achieved where the vital aspects of manufacturing are rigidly defined yet operators and managers have responsibility for the end product. The result is that employees are profoundly engaged with the organisation, its operations and its objectives.

'Make no mistake, our processes are clearly defined,' says Chief Operating Officer Geoff Gaywood. 'However, we've gone to pains to ensure that our processes don't take the initiative away from our people. They are empowered to use their judgment, at all levels, and they take accountability for their decisions.'

In a number of cases, tasks that would nor- >>

mally be assigned to a manager are instead given to a representative team of employees. The objectives and parameters are set – although these too are often subject to review – and the team is given the brief of developing the business plan, presenting it to management, and then getting it implemented. An example is the Game Plan for Success project, where not only the output but the entire process was conceived by the team appointed to manage it.

An on-line Opportunity Tracking System (OTS) is used to register new suggestions, and to take them through the approval process. A team of Technical Improvement for Competitive Advantage (TICA) engineers evaluate every suggestion and post their recommen-

dations on the OTS, so that the approval team can make fully informed decisions.

Six Sigma is well entrenched and widely used in the company, along with a multitude of structured support systems, to ensure ongoing participation in improving efficiencies. Six Sigma projects have contributed significant savings over the years: in 2007 it saved the company R17 million, R19 million in 2008, R12 million in 2009 and R23 million in 2010.

Training and development

Safripol invests heavily in training and development. Employees write individual development plans that plot their career progression together with the competencies needed and the training that will help create them. Safripol



'Safripol makes us shareholders in not only sharing, but also involving us in its plans, goals and strategies.'

'We are held accountable for our actions and outputs and are openly acknowledged for our efforts. We share in the profit just as the shareholders do and Safripol gives us enormous opportunities regarding personal and technical development.'

'We measure outputs and concentrate on the hard facts, effectively involved throughout any process of change. Employees have a unique respect for one another. There is a high level of trust up to CEO level enhancing the flow of communication and strategic decisions.'

Bennie Coetzer, 45, is a Process Engineer. He has a National Diploma in Instrumentation.



'Our people don't regard the company as an entity that is separate from themselves. It is a collective embodiment of skills, interests and concerns, culture and values, and day-to-day activities. It's this "ownership" that explains the high level of engagement and accountability.'

Joaquin Schoch, CEO

boasts a world class on-line electronic training system with courses which operational employees need to complete for their development plan. The company also encourages and works with public educational bodies to help employees further their studies.

'Our supervisors stretch, coach and mentor our staff, but they also urge them to think for themselves, set their own goals and plan their own progress,' says HR director Sakkie du Plessis.

In 2010/11 Safripol invested an average of R9 000 per employee on training. A total of 254 people, or 96% of the total staff complement, underwent at least one training course during the fiscal year.

In addition to job-specific training, Safripol runs a number of courses designed to benefit the organisation by promoting the general business skills and leadership qualities of its senior personnel.

The Eagles programme aims to prepare Safripol's leaders (the top 30% of the company) for dealing with the uncertainties of a volatile market.

The Game Plan for Success was a project in which task members were appointed to develop a set of 'maps' depicting the internal and external environments in which Safripol operates. The aim was to use these maps to help all employees understand not only the context in which the company exists, but also how all

of its departments and functions play an essential, collaborative role in helping it achieve its goals. All employees participated in the roll-out of the maps.

Safripol's Learnership Programme is designed to create a pipeline of skilled technical operators while at the same time providing employment opportunities for young matriculants from previously-disadvantaged groups. Approximately 15 learners are selected every year.

Breakthrough Strategies for Success is a programme which focuses on personal success, goal setting, overcoming barriers and self reflection. The company also offers skills-for-life training in areas such as personal finance and budgeting, retirement planning, and health and well-being.

Benefits and retention

Employee retention is a priority given the expertise that resides in the workforce. Remuneration levels are market related for the industry. Salaries are increased at least annually, and every single employee is eligible for a bonus, often for a share of company profits, and always at least for individual and team performances.

A number of programmes reward exceptional contributions by individuals and teams. The Excellence Awards, presented annually, are given to the individual who personifies Safripol's values in everything he or she does, »



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Sakkie du Plessis, HR Director

and to individuals and teams who have added great value through a special effort or consistently exceptional work.

The company also has a peer recognition programme enabled by an on-line tool that allows any employee to nominate another for actions or achievements which are perhaps not evident to everyone else. The rewards range from cash grants to a night on the town or a corporate gift. Long-service awards are a frequent occurrence at Safripol – in 2011 approximately 50 employees received awards for attaining between 20 and 35 years of continuous service, while one notched up his 40th year.

Staff turnover is an impressively low three percent, significantly lower than the average for the chemical industry, which is estimated to be well over 10%. 'It's a bit of a cliché but we're like a big family,' says Du Plessis. 'Most employers ask themselves "how can we make people want to work here?" We ask "why would someone not want to work here?" It's a subtle difference, but a decisive one.'

Although there are relatively few opportunities for promotion, Safripol addresses this limitation through short, medium-term and even permanent assignments. One avenue is Thebe Investment Corporation, which owns 21% of Safripol. The group owns a large number of companies in many different industry sectors, employing some 10 000 people.

Safripol has reached agreement to assign employees to positions within Thebe in order to help meet their aspirations when Safripol is unable to do so. It has also in the past sent its specialists on internships with technology partners to improve their skills or familiarise themselves with advances in the technology.

A visible employer brand

Safripol has worked hard to establish a strong employer brand. The company has achieved consensus on the corporate goals and the best means of achieving them, and then allowed the values and the culture – and hence the employer brand – to evolve from this. Since then it has been codified and embedded into policies, processes and job descriptions.

The company takes a transparent and quantitative approach to employee management and in 2010, for the first time, published the Safripol Employee Report, not only to document the most important benchmarks achieved, but also to highlight what still needs to be done.

Thebe Investment Corporation, together with the BEE status of ABSA Capital (through the shareholding of the Batho Bonke Trust), provides the company with an effective 25.9% BEE equity. During 2011, the Scorecard BEE rating improved from Level 6 to Level 5.

The recruitment of suitably qualified chemical engineers remains a challenge, not only

for Safripol but the industry at large. Safripol works with a number of leading universities to identify and sponsor promising black chemical engineering students. In 2009 two students were recruited onto the programme, one of whom passed his studies and was employed on graduation. In 2010 another two students were admitted to the sponsorship programme.

'We recognise that employment equity is an area where we have struggled to meet our objectives,' says CEO Joaquin Schoch. 'This is particularly true over the past couple of years, when the priority has been to preserve jobs rather than take on new people. We're hopeful that, as the economy expands, allowing us to grow, we will be able to address this shortcoming in a meaningful way.'



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'We all strive for a different world: A world that promotes growth without jeopardising freedom; where everyone can raise his or her voice without fear; a home away from home; a place where team players assist one another to produce the best results; where assertive and responsible people belong – that world is Safripol.'

Blessing Jiyane, 26, is an Improvement Engineer. He has a B.Sc Chemical Engineering degree.