

Case Study

Transnet Engineering –
Return on Investment

ISOMETRIX
Good Business

Quick facts

Company	Transnet Engineering
Project length:	14 months
Users:	500
Project cost:	USD 230 000
ROI period:	2-3 months

The challenge

In 2010 Mirriam Tenyane, Divisional Executive: Compliance and Regulatory Affairs at Transnet Engineering, assumed responsibility for standardizing and automating the company's EHS processes.

Transnet Engineering consists of eight different business units, which contain 132 depots and six factories spread across South Africa. The different depots and branches had been permitted to develop their own approach to ISO 14001 and OHSAS 18001, which diverged significantly over time. This was done for the purpose of accountability, and to ensure that each site should be independently ISO certified.

In effect there were around 80 entities that had their own way of working within the standards. This resulted in inconsistencies in practices, confusion, and despondency from the implementers together with a high number of findings experienced during audits.

The solution

Phase 1

Miriam's first objective was to standardize the EHS framework across the organization. This took two years, during which period she invested her time in ascertaining best practice and engaging with stakeholders to ensure their buy-in.

An energetic, passionate person, Mirriam sold the concept internally and cajoled the change-resistant, explaining that standardizing would create a safer environment, and significantly reduce costs. Mirriam understood that getting all business units to work in a uniform way would streamline the external audit process. Her vision was borne out: the costs of external audits over a three-year period dropped from USD 1.6 million to USD 1.2 million.

Phase 2

The systems remained largely manual, however, and Mirriam's next focus was to automate the standardized framework Transnet Engineering had developed. Pressing issues included the difficulty in managing historical data, the inability to easily trace the movement of documents, the lack of notifications over expiry dates and actions, and the inability to link documents to the last person to have modified them.

IsoMetrix was chosen as the preferred solution for automating EHS, due to the agility it offered, the strong dashboards, and the fact that it had been successfully rolled out at Transnet Engineering's sister company, Transnet Freight Rail.

The return on investment

After a 14-month project, the official go-live was in June 2014. The benefits of automating were immediately apparent. Reports that previously took senior staff members days to compile were now available instantly. Dashboards gave a clear visual understanding of trends and exceptions. One particular dashboard highlighted the extent to which injuries to hands occurred in the organization, a fact that had been rendered invisible under the previous manual systems.

Miriam acted on this insight immediately, through programmes focussed on PPE and training, and was able to bring the occurrence of hand injuries down significantly. In fact, the overall Disabling Injury Frequency Rate (DIFR) had come down from 1.02 per 200 000 hours in 2012 to 0.42 by the end of March 2016. Furthermore, there has been an overall decline of 20% in Off Ill cases in the business since 2013.

One of the biggest areas of cost saving is a further reduction in the cost of external audits, which reduced from USD 1.2 million over three years to USD 274 000, a reduction of 77% – based on the centralization and standardization of information across 80 entities.

Improved visibility and access to information has also reduced the effort and time required for internal audits, and greatly reduced the extent of audit findings. Whereas before the implementation of IsoMetrix audit findings stood at 1 500, they now average around 90, an improvement of more than 90%.

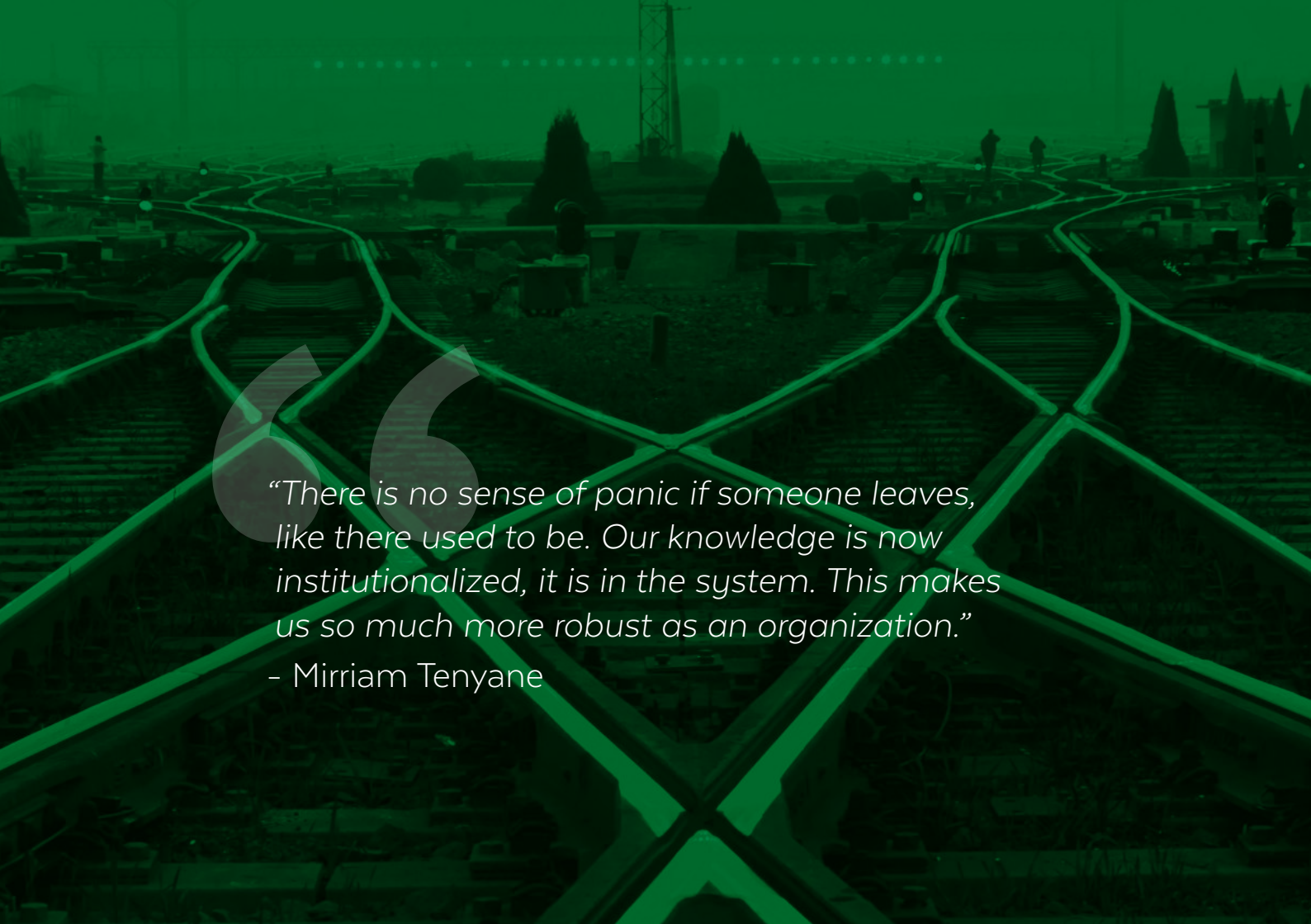
The return on investment

The implementation of IsoMetrix required an investment of around USD 230 000. If one considers the reduction in audit fees alone, the return on investment period is less than four months. Factoring in other savings such as reduced time to compile reports, greater efficiencies across the EHS work force, improved decision making, and lower DIFR, the estimated ROI period is between 2 and 3 months.

Says Mirriam: “Simply put, IsoMetrix makes business sense. It has been a great investment. Within Transnet Engineering it goes beyond EHS: we have easily been able to incorporate Quality and Security as well. It is a true business management solution.”

Since 2016, Transnet continues to see improvements as a result of the initiative and has been recognized for its ongoing commitment to managing risk; most recently winning GRC 20/20's 2019 Value Award for EH&S.





*“There is no sense of panic if someone leaves,
like there used to be. Our knowledge is now
institutionalized, it is in the system. This makes
us so much more robust as an organization.”*

– Mirriam Tenyane

ROI at a glance

	2013	2016	2018
Time spent compiling reports	5+ days	0 days	0 days
	Senior staff members spent days each month compiling reports	No time, reports available instantly	No time, reports available instantly
Audit findings	1 500	120	90
Cost of external audits	USD 1.2 million	USD 200 000	USD 274 000
Disabling Injury Frequency Rate	0.76	0.45	0.66

About IsoMetrix

IsoMetrix is one of the world's leading developers of software solutions for integrated risk management. With over 25 years' experience IsoMetrix provides award winning compliance and risk management solutions for professionals in Environmental, Health, Safety and Sustainability.

IsoMetrix believes that proper management of governance, risk and compliance provides powerful and wide-reaching benefits. It is good for our planet, and the people and communities we work and live with. It also leads to more profitable and resilient businesses. In helping our customers to do good, we also help them do well.

With offices in the USA, Canada, UK, Australia and South Africa, we are well-positioned to provide international companies with support across the globe.



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WINNING**



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please contact the sales team at info@isometrix.com

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Environmental Sustainability Monitoring • Environment, Health and Safety (EHS)
Environmental, Social and Governance (ESG) • Integrated Risk and Control Management (IRM)
Land Management & Resettlement • Management of Change • Permit Management
Social Engagement Management (SEM) • Socio-Economic Development (SED)

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