



## Sustainable Business Awards for the South East 2004

# Case Study - Abbott Laboratories Ltd

### Company Background

Abbott Laboratories Ltd in Queenborough, Kent is part of the global group, Abbott Laboratories, one of the top 10 global healthcare companies. The Group employs some 70,000 people in over 130 countries, with an annual turnover in excess of \$17 billion. In the UK the Queenborough site is one of five main sites in Kent, Berkshire and Oxfordshire, employing some 700 people of a total 3,000 in the UK.

A broad based healthcare company dealing in the manufacture and sales of pharmaceutical, hospital, nutritional and diagnostic products, Abbott Laboratories is dedicated to helping patients with specialist focus in such areas as HIV, Neonatology, Immunology, Anaesthetics, Nutritional, Antibiotics and Diabetes. Whilst undertaking work in such challenging areas, Abbott Laboratories recognise that no task is so important that it cannot be carried out safely or in an environmentally responsible manner. Therefore it integrates these principles into its business activities.

### Summary of Key Achievements

- Recycle 50% of all waste generated since 2003 
- Reduced energy consumption by 10% representing a saving of 1,200 tonnes of CO<sub>2</sub> emissions in 2004 
- Developed and engaged suppliers forming strong working relationships, acknowledging the significance of suppliers role to its operations, and established partnership sourcing to work more closely with its suppliers 
- Achieved Class A Accreditation which sets goals and criteria for measuring its performance of planning and control of its operation 
- Improving efficiency of its operation through continuous development, with signs of success already visible in some areas of its operation showing 50% improvement in efficiency 

#### KEY



Abbott Laboratories has a well established employee development programme helping to align the employee's career path with that of the business

### Sustainability Initiatives

In order to remain competitive and ensure a secure future, Abbott Laboratories recognise the need to reduce the amount of waste produced and increase the efficiency across all its processes undertaken at the site. To this end a number of initiatives are underway looking at improving the efficiency of its suppliers, reducing its resource demands and training and educating its workforce. These initiatives ensure such changes and approaches form an integral part of the everyday operation of the plant.

### Contribution to a Sustainable Economy

Abbott Laboratories is a major contributor to the local community and economy providing over 1,000 jobs at the Queenborough site. This is through direct employment and the engagement of some 70 contractors employed from areas such as information technology to the building industries. The company also outsource several services in the local employment market. 70% of its employees come from the local area, with the vast majority residing in Kent, which is in keeping with company policy.

Continuous improvement is a key part of Abbott's operation in ensuring sustained business development, continually pushing to achieve more from less. The two key concepts are to remove waste and improve reliability. To achieve these goals Abbott Laboratories undertook a programme to gain Class A Accreditation, based on process and performance of all its operations (including its suppliers), and is a measure of the company's performance in planning and control.

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## Enhancing Environmental Quality

Abbott Laboratories currently has measures in place to recycle approximately half of all waste generated at its site, equating to some 1,400 tonnes diverted away from landfill. A Total Waste Management Programme has been implemented through Biffa and SRM, which involves segregating waste at source to increase the level of recycling and reduce the amount of waste sent to landfill.

Recycling bins have also been made available on site for employees to bring in their domestic waste and segregate in to the appropriate waste streams.

During 2004, the site has undergone a drive to improve the efficiency of energy utilisation and minimise wastage through general good housekeeping measures, which have seen electrical savings of 1,100,000kWh of electricity and 3,600,00kWh of gas, a saving of £69,000. This is equivalent to the emission of 1,200 tonnes of CO<sub>2</sub>. All of the savings, which equates to approximately 10% of its energy consumption, were made by minimal capital expenditure but more through improved staff awareness.

## Improving the Social Wellbeing of Stakeholders

Abbott Laboratories has a comprehensive training and development programme known as 'Performance Excellence', led by its internal training development group. It has developed an integrated approach across the site ensuring that courses are measurable, communicated, transparent and validated. Through its training programme Abbott's has invested in its employees. Abbott's is committed to the long-term training and development of its employees, recognising that the business demands highly qualified, trained and motivated individuals to help ensure the success of the company.

Abbott's commitment to training and development is reflected in its status as an Investor in People, gaining accreditation in 1995 with its most recent assessment putting them in the top 10% of UK employers.

In 2003, Abbott's ran 15 management development programmes for 186 employees, aimed at developing a high level of leadership skills. A further 288 employees participated in training linked to its 'Performance Excellence' programme, ensuring managers understand Abbott's goal setting, appraisal and growth planning process.

All of Abbott's employees build a personal growth plan with their manager each year, outlining their strengths and areas for development and identifying their career path. Abbott undertakes analysis of each of these growth plans in order to create appropriate training courses for the following year, ensuring training and development programmes are tailored to both individual and business needs.

All employees are put through an induction programme when they first join the company which incorporates the companies environmental health and safety (EH&S) values as well as a session on basic environmental awareness.

Employees are encouraged to make suggestions and outline potential solutions related to EH&S practices by offering a £300 prize for the best suggestion every quarter.

Young employees demonstrating the potential to move into managerial roles in the future are put through 'Targeting Success', a management development course designed to develop their skills whilst also contributing to the local economy. Each participant creates, plans and implements a project of value to the local community normally running over a six month period. Such activities have developed lasting links between employees and the project.

The benefits gained from the comprehensive training offered can be seen in the form of improved efficiency and performance and motivation of the staff.

Abbott is working with an organisation called BOOST looking at providing their employees with bicycles at reduced prices through a government tax break scheme.

Abbott Laboratories contributes to the local community through the support of local charities, schools and organisations helping establish an integral link from the company to the local area. It works closely with its employees to choose suitable potential recipients of corporate funds. Further benefit from such acts is gained wherever possible by linking into a business process activity. At the Queenborough site, the company operates a 'safety' charitable incentive, earning a donation to the employees nominated charity for every quarter without a 'Lost Time Accident'.

Through the Greenlink initiative, the Queenborough site has opened its doors to a local college with the aim of complimenting the students' science studies by providing the opportunity to experience the importance of waste management within an authentic business environment.

Abbott has developed a programme recognising and acknowledging the significant role of suppliers in the company's manufacture and delivery of premier quality healthcare products. Suppliers are helped to meet expectations through quarterly or bi-annual feedback meetings, enabling any issues to be resolved quickly and proactively, enhancing supplier performance and developing greater working relationships.

Following on from this programme, annual Supplier Performance Awards were launched in 2003, initiating the first steps towards Partnership sourcing. This is a strategy by which the buyer and supplier work closely together. The awards give the suppliers recognition and a sense of pride in their achievement.



Aerial view of Queenborough site



A drive for continuous improvement has seen Abbott's achieve more from less, with efficiency in some areas of the operation increasing by 50%

## Company Contact

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