

# Safety management analysis of Country Garden Group

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**Abstract:** The author systematically analyzed the frequent safety accidents of Country Garden Group in 2018, and concluded that if the company took effective measures to form a safety control system in time, the company could recover its reputation and social impact within half a year. By doing so, the company can stabilize Zhiyuan, maintain a good reputation in the industry and enhance the confidence of investors.

**Key words:** Safety accident; safety control system

## 1. Introduction to research topics

### 1.1. background Country Garden Holdings Company Limited

Company introduction: Country Garden Holdings Co., Ltd. (Stock Code: 2007.hk), headquartered in Shunde, Guangdong, is the largest new urbanization residential developer in China. Adopting a centralized and standardized operation mode, the business includes property development, construction and installation, decoration, property management, property investment, hotel development and management, etc.

Country garden was listed on the main board of the stock exchange on April 20th, 2007. The listing not only provided funds for the long-term healthy development of the group, but also took a successful step into the international capital market. Country garden has been recognized by the market in its listing. It became a constituent stock of Morgan Stanley Capital International Global standard index on September 1st, 2007, and became a constituent stock of Hang Seng Composite Index, Hang Seng mainland China composite index and Hang Seng mainland China circulation index on September 10th, 2007 (now Hang Seng mainland China 100). Joining the constituent stocks marks the capital market's affirmation of country garden as an important part of Hong Kong's stock market, and strengthens country garden's position in the international capital market.

Since its establishment, country garden has benefited from China's increasingly prosperous economic development, and has gradually gone out of Guangdong Province and expanded to other

high economic growth regions in the country. As of December 31st, 2015, in addition to Guangdong Province, country garden has owned property development projects in many strategically selected areas in 25 provinces/municipalities/autonomous regions.

Since December, 2011, country garden has successfully entered the overseas market with development projects in Malaysia and Australia. The strategic expansion not only further consolidated country garden's market leadership in Guangdong Province, but also developed businesses in other regions, strengthened brand influence, and fully reflected country garden's project execution ability and the replicability of its development model.

Looking forward to the future, country garden will focus on the core of real estate business, strengthen or integrate various community related businesses in the real estate industry chain through financial means, improve the community resource integration platform, build a full life cycle industrial chain, and fully release the value of assets within the group. Continue to consolidate and strengthen its position in the industry.

### 1.2 problem statement

The safety accidents of Country Garden Group in 2018 caused adverse social impact.

Accident summary: on the evening of July 26th, 2018, the construction site of country garden · City Light collapsed. As of the morning of July 27, 16 people had been rescued and sent to the hospital, including 6 dead, 1 critically injured, 2 seriously injured, and the vital signs of other personnel were stable. 23:40 Lu'an City Jin'an District

Accident name	July 26 Lu'an construction site collapse	time	July 26, 2017
place	Lu'an City Jin'an District		

#### 1. Event process

From 23:00 to 24:00 on July 26, 2018, the rainfall in Lu'an Urban Area reached 70 mm/h, and the short-term wind speed was about level 7. A wall and collapse occurred at the construction site of country garden · city light in Jin'an District. As of the morning of July 27, the on-site search and rescue work had been completed, and 16 people had been rescued and sent to the hospital, of which 6 died after the rescue, 1 was in critical condition, 2 were seriously injured, and the vital signs of other personnel were stable. Movable plank house

#### 2 event follow-up

At noon on July 27, The company issued a statement on the collapse of walls and movable plank houses at the construction site of country garden · city light in Jin'an District, Lu'an City, Anhui

Province, saying: "we are very reluctant to see casualties caused by disasters and accidents, and the company is deeply saddened. The group vice president and regional responsible person have rushed to the scene overnight to fully assist the government in rescue and treatment of the wounded, and shut down the project to comprehensively investigate potential safety hazards." Country garden

Research questions: the causes and consequences of the July 26 collapse of the country garden Lu'an construction site and the harm it brought. (notes)

### 1.3 research objectives

This study will analyze the causes and consequences of the July 26 collapse of the country garden Lu'an construction site and

the company's safety management, and put forward suggestions to solve the problem.

## 2.References

### 2.1 safety management status of real estate industry

Accident statistics of ten well-known real estate enterprises from 2012 to mid August 2018

	2012年		2013年		2014年		2015年		2016年		2017年		2018 (to mid August)	
	accident number (from)	death number (person)	accident number (from)	death number (person)	accident number (from)	death number (person)	accident number (from)	death number (person)	accident number (from)	death number (person)	accident number (from)	death number (person)	accident number (起)	death number (person)
Country garden	1	1	1	enter	7	7	4	6	5	5	12	13	6	12
Evergrande	4	7	0	0	1	1	1	1	2	2	4	7	2	2
Vanke	3	6	3	5	1	1	1	5	9	10	10	11	9	9
Rongchuang	0	0	0	0	0	0	1	1	1	1	3	3	2	2
Poly	4	6	2	2	3	3	1	1	4	4	3	3	4	5
Zhonghai	2	2	1	1	2	2	0	0	1	1	0	0	2	3
Longhu	0	0	2	2	1	1	1	1	0	0	2	2	0	0
China Resources	2	2	3	3	0	0	0	0	0	0	1	1	1	1
R&F	1	1	0	0	0	0	1	1	1	1	1	1	1	1
Wanda	1	1	4	5	1	1	2	2	4	5	2	2	1	1
Total	18	26	16	19	16	16	16	26	27	29	38	43	28	36

According to the accident express on the official website of the Ministry of housing and urban rural development, from 2012 to mid August 2018, safety accidents occurred frequently in country garden, Evergrande, Vanke, rongchuang, poly, Zhonghai, Longhu, China Resources, R&F and Wanda, with 159 accidents and 195 deaths. The trend of "double increase" in the number of accidents and deaths was obvious. Especially since 2015, the number of safety accidents and deaths in the top ten real estate enterprises have increased rapidly. From 2012 to 2018, the overall trend is "U".

### 2.2 under the current situation of real estate safety management, the current situation of country garden safety management

According to the above statistics, there were 6 safety accidents and 12 deaths in country garden in 2018. Safety accidents in 2012 and 2018 are on the rise year by year, which reflects that the safety management of enterprises is missing at this stage, the safety culture is not really established, and the goal of establishing a long-term mechanism for safety production is not established. The core of safety culture is "safety first and people-oriented"

### 2.3 theoretical model of case analysis

Analysis model of enterprise safety culture, safety management system, heinshiri rule and PDCA management rule

#### 2.3.1 enterprise safety culture - what is safety culture

The concept of safety culture was first addressed by the international nuclear safety advisory group (INSAG) in 1986. In the report of insag-1 (later updated as insag-7), it was mentioned that "there is a major problem of safety culture in the Soviet nuclear safety system". The report (INSAG-4) published in 1991 gave the definition of safety culture: safety culture is the sum of various qualities and attitudes existing in units and individuals. Culture is the general term of human spiritual wealth and material wealth. Safety culture, like other cultures, is the product of and the guarantee of safe production for enterprises in production, life and survival activities.

Safety culture is the general name of all behaviors under its guidance, mainly including safety idea, process safety, etc. Safety culture is mainly applicable to high-tech and high-risk

operational enterprises, especially in energy, power, chemical and other industries. All accidents can be prevented and all hidden dangers of safe operation can be controlled. The core of safety culture is people-oriented, which requires the implementation of safety responsibility into the specific work of all employees in the enterprise. Through the cultivation of safety behavior norms recognized by employees, we can create a safety culture atmosphere of independent management and within the enterprise, and ultimately achieve the goal of safety and the establishment of a long-term mechanism for safe production.

Safety culture is to prevent, avoid, control and eliminate accidents and disasters (natural, man-made or natural and man-made disasters) in the process of human survival, reproduction and development, in all fields of production, life and practice, in order to ensure human physical and mental safety (including health) and enable them to engage in all activities safely, comfortably and efficiently; To establish a safe, reliable, harmonious and coordinated environment and a safety system for matching operation; The sum of safe material wealth and spiritual wealth created to make mankind safer, longer and the world friendlier, peaceful and prosperous.

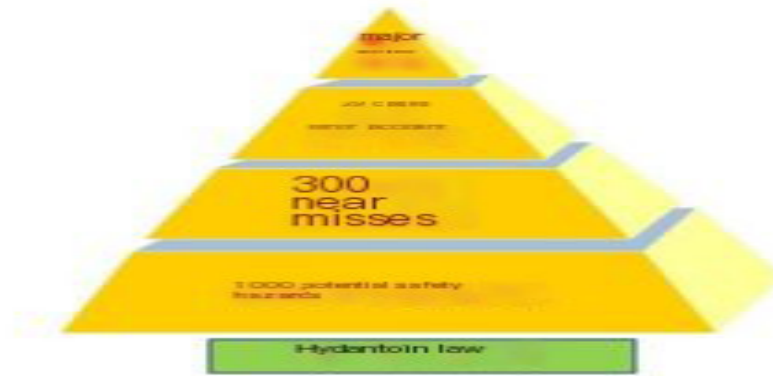
#### 2.3.2 enterprise safety management system - what is a safety management system

Safety management system, as its name implies, is a complete set of system based on safety management, including hardware and software. Software involves ideology, system, education, organization and management; Hardware includes safety investment, equipment, equipment technology, operation and maintenance, etc. The ultimate goal of building a safety management system is to achieve safe and efficient operation of enterprises.

Its safety management is divided into two major aspects: risk control (process risk) and cultural construction (). Only by integrating the safety management system with the enterprise and promoting the improvement of the comprehensive management level of the enterprise through the improvement of safety management, can we realize the benefits of equipment reliability, product quality, operation efficiency, industry reputation and so

on.Behavioral safetyIntegrated management systemEmployee loyalty

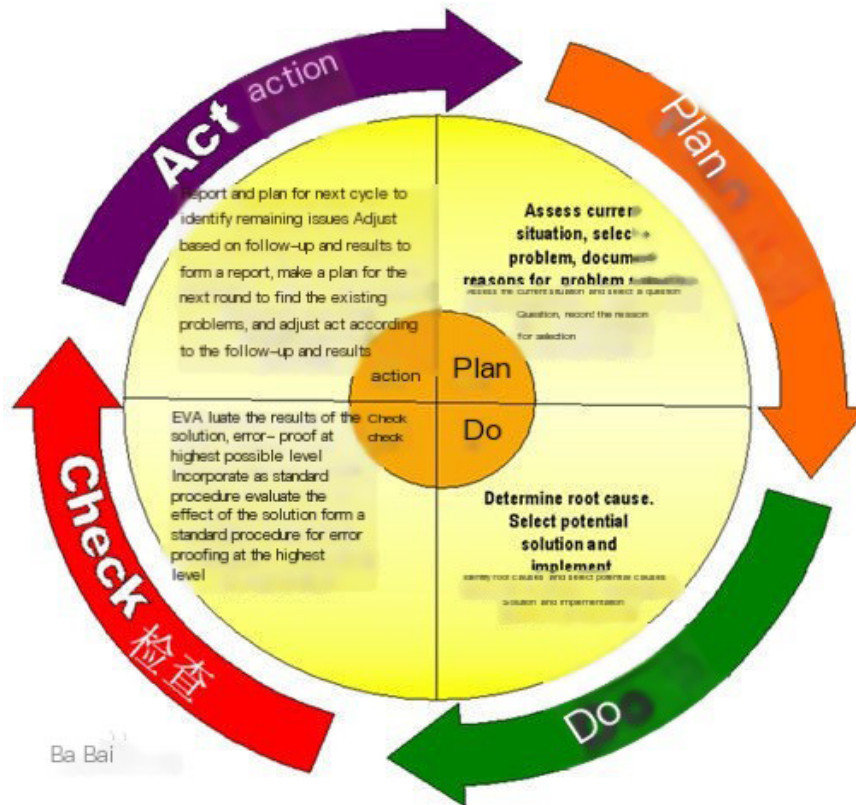
### 2.3.3 heinshiri rule and PDCA management



Heinrich’s law, also known as “Heinrich Safety Law”, “Heinrich accident law” or “Heinrich law”, is a 300 : 29 : 1 law proposed by Herbert William Heinrich in the United States.

This rule means that when an enterprise has 300 hidden dangers or violations, it is very likely to have 29 minor injuries or failures, as well as one serious injury or death accident.

Heinrich’s rule is a rule put forward by Heinrich, an American, for the operation of insurance companies by analyzing the probability of industrial accidents. This rule can be fully applied to the safety management of enterprises, that is, behind a major accident, there must be 29 mild accidents and 300 potential hidden dangers.



PDCA cycle was first proposed by Dr. hughart, an American quality management expert. It was adopted, publicized and popularized by Deming, so it is also called Deming ring. The ideological basis and method basis of total quality management is PDCA cycle. The meaning of PDCA cycle is to divide quality management into four stages, namely plan, do, check and act. In the quality management activities, it is required to plan, implement and check the implementation effect of each work according to the plan, and then include the successful ones into the standard, and leave the unsuccessful ones to be solved in the next cycle. This working method is the basic method of quality management and the general

law of enterprise management.

## 3. research methods

### 3.1 analysis of enterprise safety culture, safety management system, heinshiri rule and PDCA management rule

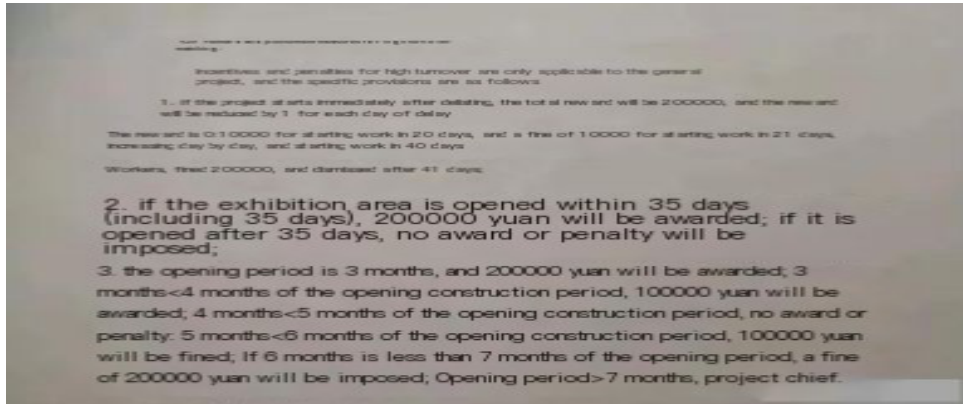
#### 3.1.1 lack of enterprise safety culture

It is easy to understand that the core of high turnover lies in “fast”, fast land acquisition, fast development and construction, fast sales and fast withdrawal of funds. And country garden has achieved

the ultimate speed and even exceeded the limit. Yangguoqiang once spoke highly of “high turnover is our invincible magic weapon” and “high turnover is the most effective means to resist any risk”.

In terms of high turnover, country garden has reached the extreme. It is reported that the previous standard of country garden was “456” (4 months after taking the land, 5 months of capital withdrawal and 6 months of capital correction). However, in April this year, country garden issued a series of documents to further speed up. From “456” to “345”. In order to implement this

impossible goal, country garden required the design institute to work out the drawings overnight after receiving the demand, and took corresponding reward and punishment measures. For example, the general manager of the project will be rewarded with 200000 yuan for the commencement of the project upon delisting, and the reward will be reduced by 10000 yuan for each delayed day, a fine of 200000 yuan will be imposed for the commencement of the project after 40 days, and the general manager will be dismissed after the commencement of the project after 41 days.



An enterprise culture is based on efficiency, without the principle of safety first and life first, According to the study of safety culture: “All accidents can be prevented, and all hidden dangers of safe operation can be controlled. The core of safety culture is people-oriented, which requires the implementation of safety responsibility in the specific work of all employees in the enterprise. By cultivating the safety behavior norms recognized by

employees, we can create a safe culture atmosphere of independent management and in the enterprise, and ultimately achieve the goal of safety and establishing a long-term mechanism for safe production”.

**3.1.2 the enterprise safety management system has not been fully formed**

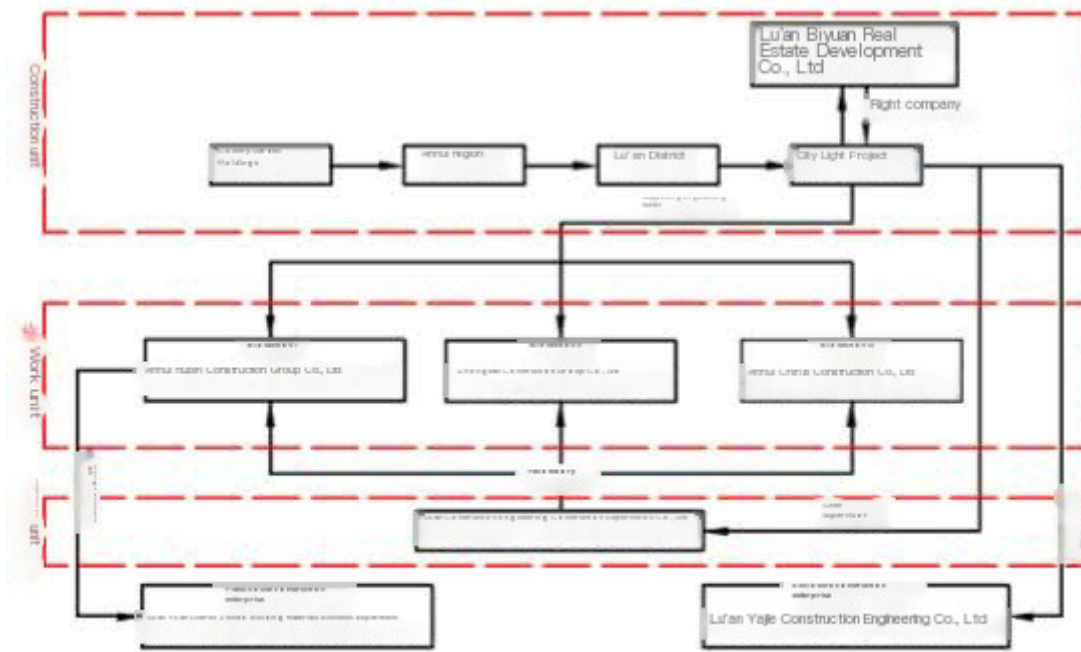


Figure 1 construction organization framework of Country Garden City Light Project

Lu’an Country Garden Real Estate Development Co., Ltd. is an independent legal entity, which undertakes all the company’s external business (land purchase, bidding, contract signing), as well as all kinds of approval and supervision by government departments, but does not actually manage the city light project. Country garden group implements a four-level management system

of group regional company City company project department. The light of the city project is mainly managed by Lu’an City company and the light of the city project department. Before the accident, the safety management system of country garden group did not form a complete system, and safety management was mainly carried out through routine meetings and inspections.

### 3.1.3 heinhilli rule analysis

On June 24, a formwork collapse accident occurred at a sales office under construction in country garden in Haiwan Town, Fengxian District, Shanghai, resulting in one death and nine injuries.

On July 2, a fire broke out at the construction site of country garden at Zhonghua Road, Anyang City, Henan Province. Fortunately, no casualties were caused.

On July 12, in Suoqian Town, Xiaoshan, Hangzhou, the foundation pit of the country garden Qianchen mansion project collapsed, causing pavement collapse and water pipe burst. The crack on the pavement extended to the residential building next to



Heinrich, a famous American safety engineer, once proposed a “Heinrich accident rule”, in which the ratio is 1:29:300. This is a proportion obtained from its statistics of more than 550000 accidents, that is, behind a major accident of serious injury or death, there are an average of 29 minor injuries or minor accidents, and 300 hidden dangers or violations. From this phenomenon, we can see that enterprise safety management is very serious from top to bottom, and it is not accidental!

### 3.1.4 analysis of PDCA management rules

They are plan, do, check and act. In the quality management activities, it is required to plan, implement and check the implementation effect of each work according to the plan, and then include the successful ones into the standard, and leave the unsuccessful ones to be solved in the next cycle. This working method is the basic method of quality management and the general law of enterprise management. This theory is also applicable to safety management.

The construction unit dismembers the project, defaults on the project payment, arbitrarily reduces the construction period, etc; The supervision personnel dispatched by the supervision unit are lack of professional level, the supervision work is not in place, the review of construction organization design is not rigorous, and the handover acceptance is not in place, etc. they fail to seriously perform the supervision duties; Illegal subcontracting, illegal subcontracting, and working without certificates by construction units are all the reasons for the high incidence of construction safety accidents. At present, some large real estate enterprise projects have interests between the employer, the construction unit and the supervision unit, resulting in poor supervision, which is also the cause of frequent construction safety accidents. For example, the promotion of “self supervision” in some projects of country garden has led to the fact that both the supervisor and the construction party are country garden’s own people, resulting in inadequate supervision by the employer and the supervisor and poor construction quality. (ineffective inspection and handling, and

the Qianchen mansion, making it a dangerous building.

On July 26, a major safety accident occurred at the construction site of country garden · city light in Jin’an District, Lu’an City, Anhui Province, in which a wall and movable plank house collapsed, resulting in 6 deaths and 10 injuries.

On August 1, a fire broke out at the construction site of country garden in Qidong, Jiangsu Province. The fire was caused by waterproof and thermal insulation materials. However, according to the analysis of industry insiders, flame retardant substances will be added to the general waterproof and thermal insulation materials, and the substances that were easy to catch fire in the past have been banned now.

timely elimination of potential safety hazards)

The employer only pursues the construction schedule and ignores the safety construction management; In order to reduce the cost, the construction unit did not carry out the publicity and training for the on-the-job workers in place or did not carry out the publicity and training, there were no safety protection facilities, and the safety awareness and safety skills of the construction personnel were not high, which led to frequent construction safety accidents. For example, country garden blindly pursues “high turnover” and excessively pursues project speed. The construction unit avoids being fined for construction period, carries out radical construction, pays more attention to construction period than quality, and ignores the awareness of safe construction. The continuous occurrence of safety accidents still fails to improve the awareness of safe construction. (poor planning and implementation, failure to establish safety screening and rectification mechanism)

## 3.2 strategic analysis method

### 3.2.1. analysis of external environment

The analysis of external environment includes the analysis of the impact of environmental changes on enterprises from the perspectives of politics, law, economy, society, culture and technology.

In 2017, the Ministry of housing and urban rural development’s notice on printing and distributing the action plan for improving the quality and safety of projects’ first proposed that “the quality and safety responsibilities of all parties should be fully implemented, especially to strengthen the primary responsibility of the construction unit and the main responsibility of the survey, design and construction units”, Then the 2018 work points of the project quality and safety supervision department of the Ministry of housing and urban rural development further emphasized that the main responsibilities of all parties should be strictly implemented and the primary responsibility of the construction unit should be strengthened around “improving the quality assurance system”.

The author believes that country garden enterprises should

bear the primary responsibility for the above safety accidents.

According to the special major accident of Jiangxi Fengcheng power plant, 7 people from the construction unit were arrested and punished.

The relevant personnel of the construction unit were arrested according to the major accident in the high school attached to Tsinghua University.

Lu'an Country Garden Real Estate Development Co., Ltd. failed to implement the safety production responsibility system due to the "7.26" collapse of the floor building of Lu'an "Country Garden City Light" project; 2. Problems such as potential safety accidents were not found and eliminated in time.

The document number of the decision on administrative punishment: wjzz [2019] No. 37, and the class II qualification certificate for real estate development will be temporarily withheld for 90 days (date of decision on punishment: September 23, 2019)

In 2018, country garden was pushed to the forefront of public opinion due to the "7.26" plank house collapse accident in Lu'an, Anhui Province, and country garden announced the national shutdown for rectification.

Notify all construction partners to stop work immediately, thoroughly investigate and rectify potential safety hazards, including the temporary facilities of the construction team beyond the red line of the project should be included in the scope of this inspection and rectification.

#### 1. yangwenjie

The legal representative of Lu'an Country Garden Real Estate Development Co., Ltd. and the first person responsible for the company's production safety did not perform the leadership duties of production safety in place, and was responsible for the occurrence of the accident. According to Article 92 of the production safety law, 15, it is suggested that Lu'an emergency Management Bureau impose a fine of 40% of the annual income of the previous year.

#### 2. sunjizhao

Vice president of country garden group, President of Anhui region, and the company's first person responsible for safety production in Anhui region, the safety production management work is not in place, the safety organization is not perfect, the safety management system is not perfect, the safety responsibility system is not established, the safety management is not in place, the leadership responsibility for safety production is not effectively performed, and the company is responsible for the occurrence of accidents. According to Article 91 of the work safety law, 16 it is suggested that country garden group company be instructed to remove its position as deputy general manager of country garden group and regional head of Anhui Province; According to the provisions of item 17, Article 45 (1) of the measures for administrative punishment of violations of work safety, it is suggested that Lu'an Emergency Management Bureau should impose a fine of 10000 yuan.

#### 3. Zhang Lianchuan

The CEO of country garden Anhui regional company, in charge of Lu'an City company, the person in charge of the light of the city project, and the first person responsible for project safety, failed to identify and manage potential safety hazards, and failed to perform safety production duties. It is suggested that the public security organ file a case for investigation according to law.

#### 4. dinghuajun

From February 28, 2018 to October 31, 2018, the actual business manager of the city light project and the signatory of the construction contract for the collapsed wall. The safety production work is not in place, the fence construction is not strictly controlled, the organization and investigation of potential safety hazards existing in the construction project are not effective, and they are directly responsible for the management of accidents. It is suggested that the public security organ file a case for investigation in accordance with the law.

#### 5. Zhang Zhengzhi

From November 2017 to March 2018, the actual business manager of the city light project, who was not in place in work safety, was negligent in the management of the construction of the fence, and was responsible for the occurrence of the accident, suggested that Lu'an Emergency Management Bureau impose a fine of 9000 yuan on him in accordance with the provisions of Article 45 (1) 17 of the administrative punishment measures for work safety violations. It is suggested that country Garden Group Co., Ltd. be instructed to give further serious treatment.

#### 6. Wang Hu

From April 2018 to the time of the accident, the actual business manager of the city light project. The safety production work is not in place, the screening of potential safety hazards existing in the fence is not effective, and they are responsible for the occurrence of accidents. According to the provisions of item 17, Article 45 (1) of the measures for administrative punishment of violations of safety production, it is suggested that Lu'an emergency Management Bureau impose a fine of 9000 yuan on them. It is suggested that country Garden Group Co., Ltd. be instructed to give further serious treatment.

#### 7. zhangxinghua

He has been the manager of the engineering department since March 2017. During the construction of the city light project, especially during the management of the fence construction project, the safety management responsibilities were not performed in place, and they were responsible for the accidents. According to the provisions of item 17, Article 45 (1) of the measures for administrative punishment of violations of work safety, it is suggested that Lu'an Emergency Management Bureau impose a fine of 9000 yuan on him. It is suggested that country Garden Group Co., Ltd. be instructed to give further serious treatment.

If the above is handled internally by Country Garden Group Co., Ltd., the handling results shall be reported to the accident investigation team for filing.

Recommendation 1 of the related article "some projects in country garden will be shut down and then speed up, and the market value evaporation will exceed 10 billion, and the share price will fall by 5.47%". Some projects in country garden will be shut down and then speed down, and the market value evaporation will exceed 10 billion, and the share price will fall by 5.47%

Country garden has been controversial in recent years. Some people say that the house in country garden has no other advantages except expensive, especially the quality is very worrying. Recently, country garden held a video conference, at which yangguoqiang made it clear that we should strengthen effective loan supply, and the construction projects that have not yet started will be shut down.

After the news was reported, the share price of country garden began to fall, and at the close of the trading, it had fallen

by 5.28%, with a quotation of HK \$9.870. The market value had evaporated by nearly HK \$12billion, equivalent to 10.54 billion yuan. Yangguoqiang’s requirements have a lot to do with the current strategic adjustment of country garden. In July, many engineering safety accidents occurred in country garden, which sounded the alarm for yangguoqiang.

According to the SWOT analysis method, a systematic evaluation is carried out by comprehensively considering the internal conditions and external environment of the enterprise. The

author believes that as a production and operation enterprise, it pays attention to safety management strategically (note)

## 4.data and analysis

### 4.1 data research

#### 4.1.1 safety accidents of country garden group are analyzed as follows:

Accident statistics of ten well-known real estate enterprises from 2012 to mid August 2018

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#### 4.1.2 According to Heinrich and PDCA theory

On June 24, a formwork collapse accident occurred at a sales office under construction in country garden in Haiwan Town, Fengxian District, Shanghai, resulting in one death and nine injuries.

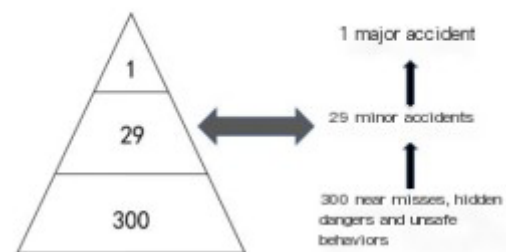
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Heinrich safety rule:



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On Monday, July 30, Country Garden Hong Kong shares fell nearly 4% before the market, and the current share price decline has expanded to nearly 7.5%, falling to HK \$12.14. Meanwhile, country

garden's US dollar bonds maturing in 2025 recorded the largest decline in three weeks.



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#### 4.2 analysis results

An enterprise culture is based on efficiency first, and does not really form the principle of safety first and life first. According to the research of safety culture, all accidents can be prevented and all hidden dangers of safe operation can be controlled. The core of safety culture is people-oriented, which requires the implementation of safety responsibility into the specific work of all employees in the enterprise. Through the cultivation of safety behavior norms recognized by employees, we can create a safety culture atmosphere of independent management and within the enterprise, and ultimately achieve the goal of safety and the establishment of a long-term mechanism for safe production.

The top management of the group pays attention to what is evaluated, which leads to the direction of efforts of employees. It is also the inevitable cause of the 7.26 accident.

The disturbance and incident of the author’s listed enterprises will have a huge impact on the stock price. The safety accident will collapse the production and operation enterprises and make the partners and investors lose confidence.

According to the analysis of Heinrich and PDCA theory, the conclusion is drawn

According to Heinrich, a famous Safety Engineer in the United States, a “Heinrich accident rule” was proposed, in which the ratio was 1:29:300. This is a proportion obtained from its statistics of more than 550000 accidents, that is, behind a major accident of serious injury or death, there are an average of 29 minor injuries or minor accidents, and 300 hidden dangers or violations. From this phenomenon, we can see that enterprise safety management is very serious from top to bottom, and it is not accidental!

### 5.conclusions and suggestions

#### 5.1 research conclusion

Country Garden Group has systemic problems in safety management, which poses a threat to the operation of the enterprise. As a leading real estate enterprise for production and operation, it should set an example for the industry. At present, the main

problems are as follows:

- An enterprise culture is based on efficiency first, and has not really formed the cultural guiding principle of “safety first, people-oriented”;
- The internal safety management system of the enterprise is not perfect;
- The principle of group prevention and treatment of hidden dangers and comprehensive treatment has not been established, forming the closed management of PDCA.

#### 5.2 research recommendations

Based on the above analysis data and conclusions, the suggestions are as follows:

##### 5.2.1 establish the principle of “safety first, people-oriented” cultural orientation

From the above safety accidents, it can be seen that the group has not established the cultural guiding principle of “safety first, people-oriented”. The establishment of safety culture is from top to bottom, so as to form the guiding principle of safety first for the whole group. The benefits give way to safety and form everyone’s code of conduct, which is deeply rooted in the hearts of the people. At present, the following measures need to be taken:

- Establish the cultural guiding principle of “safety first, people-oriented”, publicize it in an eye-catching position, and guide people’s behavior and work standards through culture. Form a culture to constantly test and strengthen;
- Establish a safety committee. It is suggested that the chairman of the board of directors be appointed as the director of the safety committee and the chief propagandist of safety culture, and follow the example of the upper level and the lower level, so as to determine the group safety day, such as 7.26, so that everyone can remember this day;
- Regular and irregular inspections shall be conducted in the process of cultural publicity, implementation and implementation, and the implementation of each level and functional department shall be assessed.

##### 5.2.2 improve and perfect the safety management system

Safety management system: as its name implies, it is a complete set of system based on safety management, including hardware and software. Software involves ideology, system,



education, organization and management; Hardware includes safety investment, equipment, equipment technology, operation and maintenance, etc. The ultimate goal of building a safety management system is to achieve safe and efficient operation of enterprises.

a. The group management establishes a safety committee, with the chairman as the director of the safety committee. The safety committee has a safety management department, which defines the responsibilities and obligations of the safety committee and the safety management department. The group, regional companies, city companies, project companies, and other subordinate companies have set up safety management departments to form a safety organization structure and make it clear that the management of operation must be in charge of production, and establish one post with double responsibilities. In case of safety accidents in operation and management, a one vote veto system is implemented;

b. Establish safety management systems at all levels, such as post responsibility system, inspection and assessment system, safety regular meeting system, safety education and training system, fire management system, safety accident report and handling system, construction organization design and special scheme preparation review system, safety reward and punishment system, etc., to form systems and ensure operation.

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## 5.2.3 safety management is always on the way

a. Establish the principle of group prevention and treatment of hidden dangers and comprehensive treatment to form the closed management of PDCA;

b. Safety management needs long-term unremitting efforts. There is only a starting point but no end point. Doing well in safety management will escort the enterprise.

## 5.2.4 adjust the strategic deployment of the enterprise safety first

The author believes that the root cause of the 7.26 accident is that the enterprise has not established a safety culture, the safety management system has not been formed, the inspection and elimination mechanism of safety hazards has not been formed, and the PDCA management has not been formed. Learn from past accidents, put safety management at the top of the strategy, firmly establish the culture of safety first, and let the safety system be implemented to ensure production and operation. When production and operation conflict with safety management, production and operation should give way to safety production, so that enterprises can go far, set a benchmark for the industry, and win social recognition.