

Whitepaper

Six Pillars to Instil a Strong Safety Culture





Every day workplace injuries, employee wellbeing and fatalities impact the livelihoods of industry sectors, organisations and workers across the globe.

According to the <u>International Labour</u> <u>Organisation, during the last decade</u> it has been estimated to cost approximately four per cent of annual global gross domestic product.

Undoubtedly, the cost to individual workers who suffer, their families, the businesses that employ them, and society at large is even greater.

The ineffective management of risks and hazards in the workplace can cost businesses through lost productivity, as well as in compensation claims and rising insurance premiums (corporations paid <u>\$59 billion</u> in penalties in the US alone for regulatory infractions in 2015).

A study by <u>The Work Foundation</u> found poor workplace health and safety (WHS) performance to be a significant predictor of low levels of employee engagement resulting in absenteeism, 'presenteeism' and high turnover.

In addition, a report by <u>Right Management</u> found that when organisations fail to manage health and wellness well, they are four times more likely to lose talent within the next twelve months.

Risky business

Given the risks and potential costs associated with poorly executed WHS programs, along with a legal obligation to provide a safe working environment for all employees, it's hard to believe that so many companies are still failing to invest in comprehensive enterprise risk management (ERM) and WHS programs within their workplace.

In 2019, a study undertaken by <u>Forrester Research and the Disaster Recovery Journal</u> found that only 36% of organisations have a formal ERM program.

Furthermore, of those companies that do have a formal program in place, <u>69% of executives are</u> <u>not confident</u> that their current risk management policies and practices will be enough to meet future needs - while a <u>2018 KPMG study</u> revealed that less than three-quarters of organisations are leveraging technology to support their compliance initiatives.

It's not just organisations operating in traditionally high-risk environments who need to manage the risks associated with workplace death, injury and illness, and take WHS seriously.

The COVID-19 pandemic has been a significant shift for organisations of all sizes, right across the globe.

From the distancing of workstations to PPE in the workplace, the Coronavirus has presented many unforeseen challenges that have required organisations to adopt, or improve their safety culture, in a very short period of time.

As a result, organisational spending on environment, health and safety (EHS) has reached record levels over the past 12 months as firms implement COVID-19 management solutions, a <u>Verdantix survey revealed</u>.

"Although volatile, global EHS spending will remain strong in the next 12 months, boosted by COVID-19 specific expenditure and a growing appetite for implementing digital technologies," <u>wrote Christopher Sayers</u>, Analyst at Verdantix.

\$59 billion

Amount corporations paid in penalties in the US alone for regulatory infractions in 2015 Organisations which have a formal enterprise risk management program

36%

69%

Executives who are not confident of their current risk processes meeting their future needs



Understanding the changing WHS landscape

COVID-19 is just one challenge that organisations face when it comes to managing WHS.

According to the <u>NSW Centre for Work Health & Safety</u>, there are six trends causing current, new and emerging challenges in the work health and safety landscape.



The changing world of work:

Flexible working arrangements and environments, made possible by new technology, are affecting our day-to-day physical actions and movement and blur the line between working and non-working hours.



Health and wellness:

The effects of the changing world of work on our cognitive, mental, and physical health and wellness are yet to be fully understood, and could potentially have a significant impact on workers, their families, and on economies due to absenteeism, accidents and impaired performance.



Workforce casualisation:

An increasing number of workers are being engaged on a casual basis, as well as significant growth in 'freelancing' and temporary contracts, has resulted in new and different challenges in workplace health and safety.



Aging workforce:

In some industries, experienced workers are choosing to leave the workforce early as a result of health and wellness problems caused by the physical demands of their work. This, combined with younger, more inexperienced and less qualified workers entering work, is resulting in skill shortages and new WHS challenges.



Globalisation of supply chains:

With the increase in plant, materials and equipment manufactured in different countries being used across the globe, the oversight of health and safety requirements and potential issues has become more challenging within the end to end process. In addition, company restructures resulting in work being outsourced or sent offshore, adds complexity to managing work health and safety obligations along the supply chain.



Small business:

Most small businesses don't have access to dedicated WHS professionals. This means they can lack the resources and time to understand obligations and identify work health and safety issues and risks in their work environment.

These new challenges mean it's becoming more important than ever to embed a top-down, bottom-up approach to safety, and a strategy to properly manage WHS in your workplace.





The benefits of a well-managed safety culture

Companies that prioritise WHS are set to benefit from more than just a reduction in the number of risks and hazards in the workplace, according to <u>Forbes</u>.

It can strengthen your brand as well as organisational culture and provides a point of difference in a competitive marketplace, allowing you to attract and keep talent.

In addition, prioritisation of WHS can enhance enterprise risk assessment, improve reputation, and help you to retain customers, fostering "robust processes, controls, and governance procedures for successful sustainable operations and risk mitigation," <u>writes Stuart Levine for Forbes</u>, chairman and CEO of Stuart Levine & Associates LLC, an international strategic planning/leadership development firm.

One industry that has specifically benefited from properly managed WHS is the <u>warehousing</u>, <u>logistics and online retail industries</u> over the holiday period, as remote shopping for groceries and other necessities quickly became the norm during the COVID-19 pandemic.

"Firms that have implemented EHS analytics in their operations are in a position to apply the insights gained from historical data to reducing potential incidents and accidents," <u>writes Kel</u> <u>Udeala</u>, Industry Analyst at Verdantix.

"These firms, which typically see a surge in activity and demand during the approaching holiday period, must leverage a full arsenal of EHS training, learning and development software as well as the facilitating analytics technologies to ensure the health and safety of their workforce."

The top-down, bottom-up approach to safety culture in the workplace

To authentically and successfully embed a safety culture in your workplace, organisations need to employ a top-down, bottom-up approach.

A <u>number of studies</u> show that where top management report a stronger commitment to WHS, it is associated with higher WHS performance. In fact, a 2010 study found that the strongest predictor of occupational injuries is management commitment to safety.

The foundation of a top-down, bottom-up safety culture lies in six pillars: communication; streamlined processes; integration with broader business processes; precise, automated reporting and trend analysis; education for all; and enablement/employee engagement.

These six pillars - when rolled-out in conjunction with integrated WHS software - have the ability to make incident reporting and risk management more accessible, accountable, trackable and resolvable - and transform the safety culture in a workplace.



6 Pillars to Instil a Strong Safety Culture

1

Communication

When policies and processes are developed in a boardroom without proper employee consultation, organisations risk making their staff feel disenfranchised and unwilling to adopt new WHS practices.

But even if you have perfectly crafted policies resulting from effective collaboration, without effective communication channels, these policies will not be effective – or enacted.

It is important to use a variety of communication channels to regularly, and frequently, communicate WHS policies and processes, and where your organisation stands in relationship to its WHS goals. Senior management <u>should</u> <u>also be visible</u> and involved in communications, such as leading each WHS related communication with a safety message, comment or statement.

Technology and integrated WHS software can play a powerful role in communicating WHS policies and procedures, by transforming a business's safety culture through worker engagement, participation, and leadership.

This can be achieved by facilitating effective communication at every stage of the risk cycle (identification, analysis, evaluation, and response) via intuitive tools, providing the structure and understanding required to achieve a holistic WHS approach that is driven from the top down and implemented from the bottom up.

2

Streamlined processes

When risk and incident registers, tracking, and reporting are managed within spreadsheets, (as they often are), it is very difficult for your organisation to achieve streamlined processes.

This is due to multiple reasons: often the spreadsheets themselves, as well as the information stored within them, is not accessible to all staff; version control can be very difficult to manage; there's no dashboard with high-level statistics; no live information; and the systems aren't dynamic.

Flexible, cloud-based solutions like Camms bring any manual workflow process online, improving efficiency and providing oversight, and allow organisations to keep track of any register - from business forms to registrations, processes and more.



3

Integration with broader business processes

An organisation that has a good safety culture has an accountability back to its internal policies and procedures, and ensures that it is meeting its legal obligations to keep its staff safe whilst at work.

This is only possible through WHS integration with broader business processes. Camms offers customers technical integration and data warehousing services to ensure its solutions – including Camms.Risk and Camms.Compliance - are fully integrated into existing operational systems, as well as business processes (including finance, HR and document management, to name a few).

Camms Compliance is a tool that monitors regulation and legislation through a data feed from LexisNexis, and applies the relevant detail to your organisation - allowing you to determine whether your company is complying with all regulations and legislation to keep staff safe, and outlining any actions that must be taken. Camms.Risk enables your organisation to identify hazards, and determine what controls you need to have in place to manage those hazards.

Precise, automated reporting and trend analysis

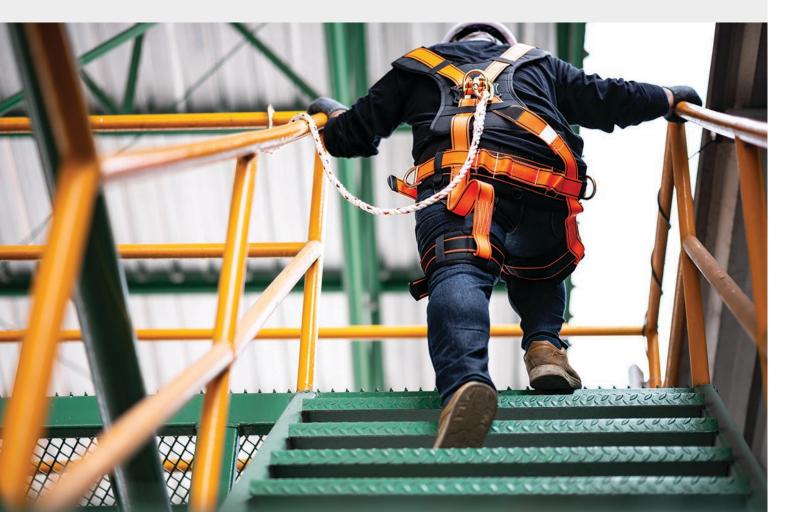
How an organisation measures safety can fundamentally change how safety is managed - and how safety is managed is a primary contributor to an organisation's safety culture, <u>according to EHS Today</u>.

"One important foundational step to building an effective safety culture is to change the way safety is measured," <u>writes Judy Agnew</u>.

"When there are measures of what leaders do on a daily and weekly basis to prevent accidents, immediate and certain consequences can be engineered in to ensure those activities occur.

"This ensures that safety is attended to all the time, not just when there are incidents. Daily and weekly accountabilities will raise safety to an equal playing field with other business objectives and help infuse safety into all parts of work."

With built-in dashboards and live data, Camms range of risk and compliance tools have been designed to deliver precise and automated reporting and trend analysis.





5

Education

The successful uptake of WHS policies and processes amongst staff is only possible with structured, engaging and interactive education and training.

An emerging, and innovative approach to EHS training is '<u>gamification</u>' - a concept that applies game-design elements to non-game scenarios.

"Firms are leveraging this concept to motivate consistent participation and long-term engagement across their workforce," <u>writes Kel Udeala</u>, Industry Analyst at Verdantix.

"The Occupational Safety and Health Administration (OSHA) launched an online game in 2014 geared at helping the construction and manufacturing industries practice identifying workplace hazards.

"The tool enabled employers and workers to explore and identify common workplace hazards virtually."

Henkel, a German chemical and consumer goods firm, is another organisation that has embraced gamification, by combining a hazard perception test with a scavenger hunt by using VR for training purposes.

Gamification isn't the only engaging way to training staff in WHS policies, programs and procedures, though. Services like Camms.College help users master Camms solutions, when, where and how they prefer, offering a variety of education options to suit their needs.

This includes virtual consulting, virtual reporting assistance, access to live or on-demand online training and more.



Enablement and employee engagement

The top down, bottom-up approach is about creating awareness of WHS risks and hazards at any level of organisation, by empowering broad-based action and encouraging employees to take personal responsibility for reporting.

In order for this to occur, it is important to remove as many 'pain points' or obstacles as possible, and the integrated, intuitive and user-friendly Camms software – which is also available on a mobile app – enables quick, easy reporting.

Its key capabilities ensure employees at every level of your business can capture even the smallest incidents and near misses, which if left unaddressed can escalate – making incident reporting and risk management more accessible, accountable, trackable and resolvable.

Camms comprehensive approach to governance, risk and compliance facilitates the transparent flow of relevant information throughout the organisation from the top-down, and the adoption of a proactive WHS culture from the bottom-up – empowering the right people to make the right decisions at the right time.



Find out more about how Camms Workplace Health and Safety solution can support you to maintain workplace health and safety registers, identify and deal with hazards and create and track actions to address issues.





Camms. | Camms.Risk

United Kingdom +44 (0) 161 711 0564 Asia/Australia/New Zealand +61 (0)8 8212 5188 North America +1 (603) 438 6360

sales@cammsgroup.com