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Safety

A Comprehensive Guide to Work Safety Management

Safety management is about reducing the risk of workplace incidents, injuries, and fatalities. Safety management programs (and the systems they implement) do this through informed measures, such as data-driven work health and safety management plans.

There has been a recent trend in the field towards safety management that fosters a proactive culture of finding and fixing workplace hazards before those hazards cause injury and illness.

Encompassed, here, are more proactive approaches to sub fields of safety management, including hazardous materials management, mental health and wellbeing management, risk and compliance management.

Hazardous materials management

A safety emergency response plan for hazardous materials encompasses ways to reduce, minimise, and/or eliminate the quantity and toxicity of hazardous materials that are used, stored, or disposed.

Why hazardous materials management? Well, hazardous substances remain integral to the modern economy. Hazardous substances themselves have proliferated across the business landscape, often to the detriment of worker health and safety.

Policymakers, in turn, have intervened, issuing regulations about the use, storage, and transport of these hazardous materials.

Those regulations aren't static, either, especially as regulators develop a deeper understanding of the latest environmental and health science.

What are these substances, exactly? Different jurisdictions might define hazardous waste and substances differently. Essentially, though, waste is considered hazardous if it presents a physical, chemical, or biological hazard to people or the environment.

Those waste types vary, as well. Waste types can include the following:

- Hazardous residues of waste material that may contaminate and persist in water and soil, i.e., sludge from re-refining used oil that contains a variety of contaminants.
- Hazardous residues that are released into the atmosphere as products of combustion, i.e., dioxin.

The Basel Convention regulates the transboundary movement of hazardous waste. The Convention has defined hazardous waste as waste that has any of the following characteristics:

- Explosive
- Flammable liquids/solids
- Poisonous
- Toxic
- Etoxic
- Infectious substances

Employers, in their turn, must adhere to these protocols. Here, the field of health and safety in facilities management often deals with compliance with hazardous materials regulations through the medium of site emergency response plans.

Compliance management

Compliance management itself is the ongoing process of monitoring and assessing systems set up to ensure that organisations comply with industry and security standards, as well as corporate and regulatory policies and requirements.

These have been interesting times for compliance managers, with major shocks (including the Financial Crisis, Brexit, and COVID-19) creating regulatory upheaval[i].

At the height of the Great Recession, for instance, subnational, federal, and supranational bodies all issued sweeping financial reforms, which majorly upped the ante on regulatory compliance risk. As catalogued by London-based think tank JWG, the years 2009 to 2012 saw the publication of over 50,000 regulations across the G20[ii]. That number rose to 50,000 regulations in 2015 alone[iii].

The cost of complying with those regulations has been steep for businesses. In fact, the volume of regulation is the key contributor to rising compliance costs. Compliance with the Dodd Frank Wall Street Reform and Consumer Protection Act alone cost banks $36 billion, according to the publication Trade[iv]. Cumulatively, regulatory compliance cost banks $100 billion in 2016[v].

Independent of external regulations, companies also develop their own set of rules, regulations, policies, procedures, and laws just to stay competitive in the market and/or limit exposure to unethical conduct.

Compliance with these internal mandates can have significant cost implications, as well. In 2014, Australian enterprises spent $155 billion to administer and comply with self-imposed rules and regulations[vi].

Businesses are paying a steep price for compliance. But the degree of external and internal business volatility is testing the resilience of even the best-resourced compliance programs. The question is, then, are compliance investments holding up?

Well, if you ask the experts, the answer is no. Here are some of the reasons why.

Often, individual teams, without a clear mandate from the top, begin managing specific compliance requirements as they see fit, frequently duplicating work in the process.

Lack of a centralising compliance strategy and the siloing effects that deficiency creates aren't the only challenges to developing a culture of compliance. The volume of regulation a company must comply with also makes managing compliance more operationally complex.

The challenges, though, are all interrelated. More volatility bumps up compliance costs and creates operational headaches. Those headaches are, then, exacerbated by a lack of a centralising approach to managing compliance risk.

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The latter is common in companies that tackle compliance in house. After all, those companies are the least likely to have adequate processes, personnel, and tools to achieve basic compliance goals.

A lack of advanced compliance management software means that teams must rely more heavily on manual structures, even as those companies grow, and their compliance needs become more complex.

In turn, business managers don't get visibility into enterprise-wide risk, which limits them to a fragmented view of (sector-specific) risk, despite the high probability of contagion between business lines.

Team-specific processes to identify, assess, manage, monitor, and report on risk proliferate. That means that teams are less able to stay ahead of business risk.

Mental health and wellbeing

One such business risk is the threat stemming from the escalating mental health and wellbeing crisis.

In most advanced economies, mental illness is one of (if not) the leading causes of sickness absence and long-term work incapacity. The numbers are stark.

Nearly one in five adults in the U.S. live with a mental illness, according to the National Institute of Mental Health. Almost 3 million Australians have a mental illness out of a total population of less than 26 million[vii]. An additional 440,000 working-age people in the country care for someone affected with mental illness[viii].

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In both countries, elevated rates of mental illness spill over into the wider economy. In Australia, the annual cost of ill-health and suicide ranges from AUD 43 billion to AUD 70 billion, according to a parliamentary productivity commission. Every year the direct cost of healthcare expenditure and other services and supports comes in at around AUD 16 billion.

In the larger American economy, the American Psychiatric Association estimated the macroeconomic loss at USD 210.5 billion per year. Just a single, extra poor mental health day every month was associated with a 1.84 per cent drop in per capital real income growth, or USD 53 billion lost in total income every year from 2008 to 2014, according to a separate analysis[ix].

Productivity loss from absenteeism and presenteeism was one of the key culprits. Employees with unresolved depression in the U.S. experience a 35 per cent reduction in their productivity, according to the American Psychiatric Association.

In Australia, the Productivity Commission estimates that employees with mental illness take an annual average of 10 to 12 days off due to psychological distress, with total costs from lost productivity ranging from AUD 12 billion to AUD 39 billion.

Employers might be loath to intervene in what they consider personal issues. But the evidence now indicates that workplaces themselves need to play an active role in maintaining the mental health and wellbeing of workers.

Besides avoiding high compliance costs, employers who intervene proactively also stand to benefit from lower rates of absenteeism, as well as increased worker productivity, engagement, and loyalty. The remaining question, however, is how.

Well, it's difficult for employers to develop mentally healthy workplaces, without first understanding what the factors that contribute to such workplaces are. According to the research[x], those factors include:

Job design. Demands of the job, control in the work environment, resources provided, the level of work engagement, the characteristics of the job, and potential exposure to trauma.

Team/group factors. Support from colleagues and managers, the quality of interpersonal relationships, effective leadership, and the availability of manager training.

Organisational factors. Changes to the organisation, support from the organisation, recognising and rewarding work, how justice is perceived in an organisation, a psychosocial safety climate, positive organisational climate, and a safe physical environment.

Home/work conflict. The degree to which conflicting demands from home, including significant life events, interfere with work.

Individual biopsychosocial factors. Genetics, personality, early life events, cognitive and behavioural patterns, mental health history, lifestyle factors and coping style.

Finally, the importance of a well-designed, properly implemented safety management program can't be overstated. In tandem with advanced safety management software, such a program will help you reduce the risk of incidents, injuries, and fatalities, stave off compliance threats, and promote productivity, engagement, and wellbeing.

Sources

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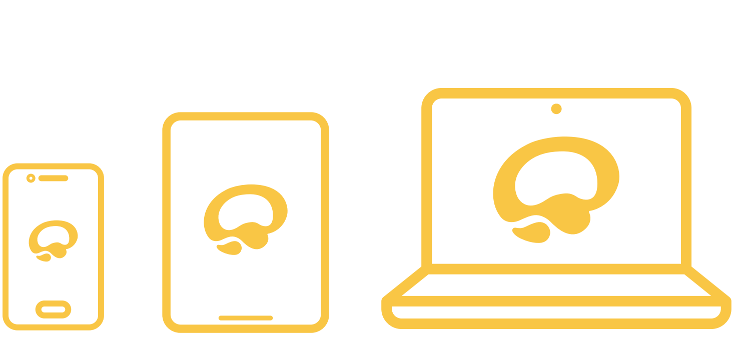

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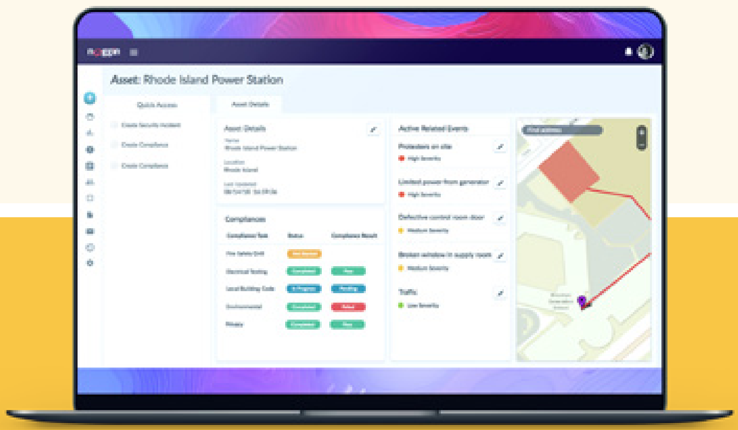

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