Keys to Establishing a
Safety and Health Management System

BY

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Improving Quality through Safety

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Objectives

- To assist participants in understanding:

  - Safety Management Systems,

  - The legal requirement for SMS',

  - The format of SMS',

  - How SMS' aid in the effective management of the organisation.

- Provide Guidance in the development of a Safety Management System,

- Assist participants to understand the issues involved in the development of a Safety Management System

- To assist participants in understanding the importance of Safety Management Systems.

Safety & Health Management Systems

- **Definition:-** A systematic way of planning and controlling management of risk in an organisation.

- Why Safety Systems:-

  1. To protect the business from liability

  2. To establish standards

  3. To develop policies and procedures

  4. To establish accountabilities for ensuring performance

Safety Management System

- Establishes the Organisation's methodology for Hazard Identification & Risk Assessment and shall:-

  - Be defined with respect to its scope, nature and timing to ensure that it is proactive.

  - Be consistent with operating experience and the capabilities of risk control measures employed.

  - Provide for monitoring requirements in a timely manner.

Management Systems

5 basic steps

1. Set your policy

2. Organise your staff (4C's), competence, control, co-operation, communication

3. Plan & set standards

4. Measure your performance

5. Audit and review systems and procedures

Management System Phases

- Design (PLAN)

- Implementation (DO)

- Evaluation (CHECK)

- Maintenance (ACT)

Planning For Safety
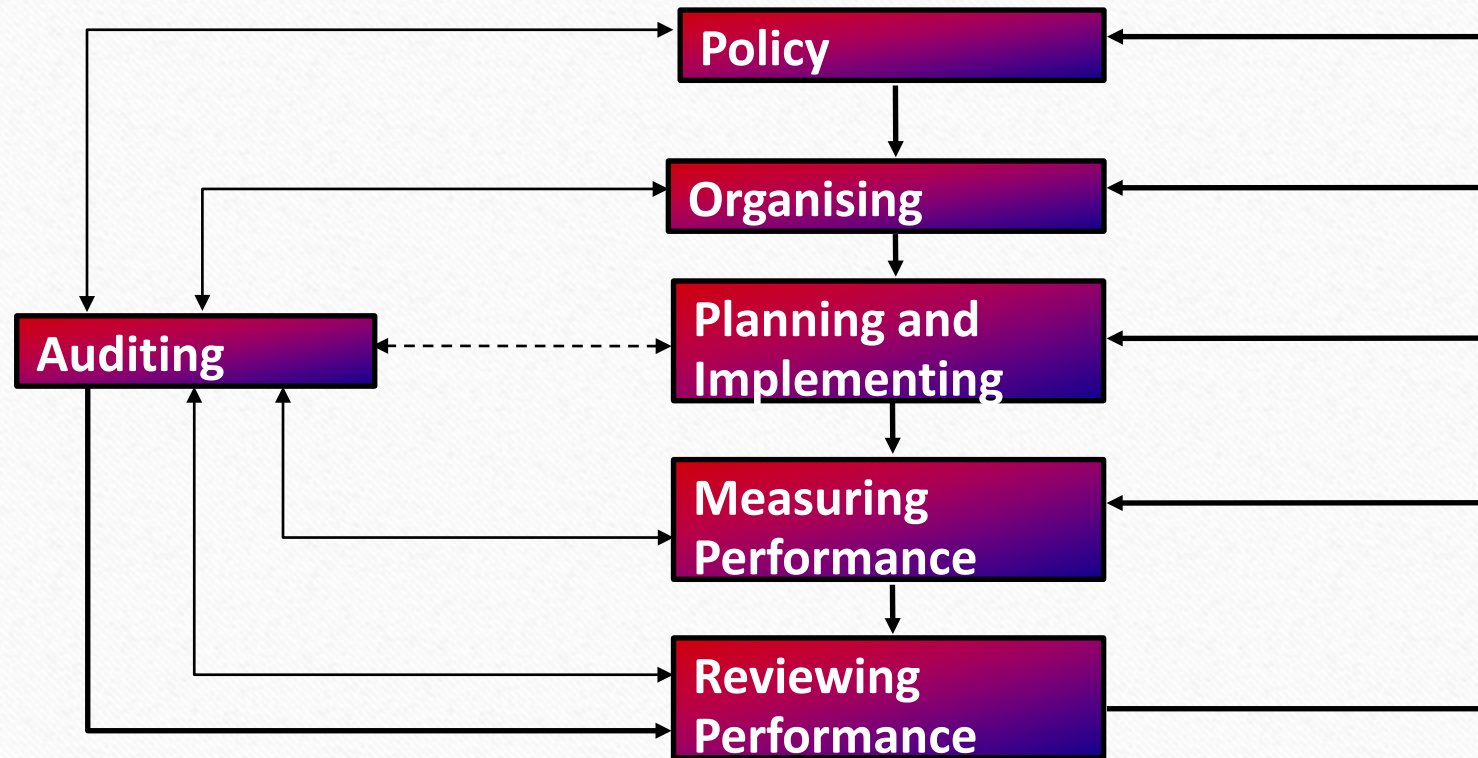

Results of hazard/risk analysis

Legal & other requirements

Accident/injury history

Results from previous investigations

Planning

Previous audit results

Internal organizational requirements

Measurable objectives (with indicators)

Management programs

HS(G) 65
Successful Health & Safety Management

BS OHSAS 18001 - Occupational health and safety management system

ILO OSH 2001

Policy

OSH policy
Worker participation

Organizing

Responsibility &
accountability
Competence &
training
OSH documentation
Communication

**Planning &
implementation**

Initial review
System planning,
development and
implementation
OSH objectives
Hazard prevention

Evaluation

Performance
monitoring and
measurement
Investigation
Audit
Management review

**Action for
improvement**

Preventive and
corrective action
Continual
improvement

Safety & Health Self- Management System

- The Barbadian national programme is intended to encourage self-regulation through the application of safety and health management systems at the enterprise level.

- The Safety and Health at Work Self-Management Program (PASST) implemented in Mexico, was used as a model

- The primary intention of PASST was the promotion of safety and health management systems within enterprises and the active involvement of all workers in the management of safety and health at workplaces. The model was therefore adapted to suit the Barbadian context.

Safety & Health Self- Management System

- Employers wishing to be participants in the programme will be required to complete and submit an internal self-audit checklist.

- This document would serve two main purposes:

  a) It would allow the company to assess current safety and health standards and compliance with the programme requirements which would be outlined in the programme guidance documents;

  b) It would give the Labour Department an idea of the safety and health standards at the company.

System Justification

- H.W. Heinrich in 1931 saw accident investigations (which normally result from unsafe conditions) as a partial failure of the system and stated that management should simultaneously involve safety in production and the development of positive safety by enunciating basic concepts of safety management. He also indicated that methods which were of value in accident prevention were analogous to methods for controlling quality, cost and production.

Effective Management Of Health and Safety

- Appropriate allocation of resources and responsibilities.

- Setting and Monitoring performance standards

- Systems for feedback and implementation of corrective measures

Why Measure Performance

- You can't manage what you cant Measure- *Peter Drucker*
  - *Answer Questions.*

  - *Helps in decision Making.*
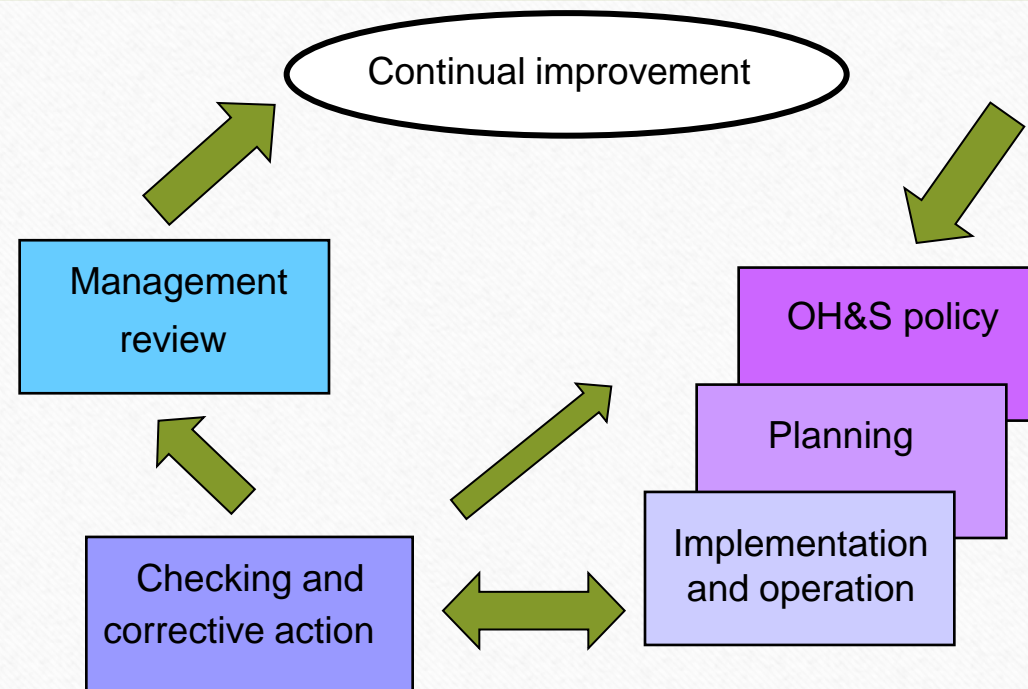
  - *Address different information needs.*

Duty of Care

- You must take reasonable care to avoid acts or omissions which you can reasonably foresee would be likely to injure your neighbour.

- Who then, in law, is my neighbour? The answer seems to be:

- "persons who are so closely and directly affected by my act that I ought reasonably to have them in contemplation as being so affected when I am directing my mind to the acts and omissions which are called into question".
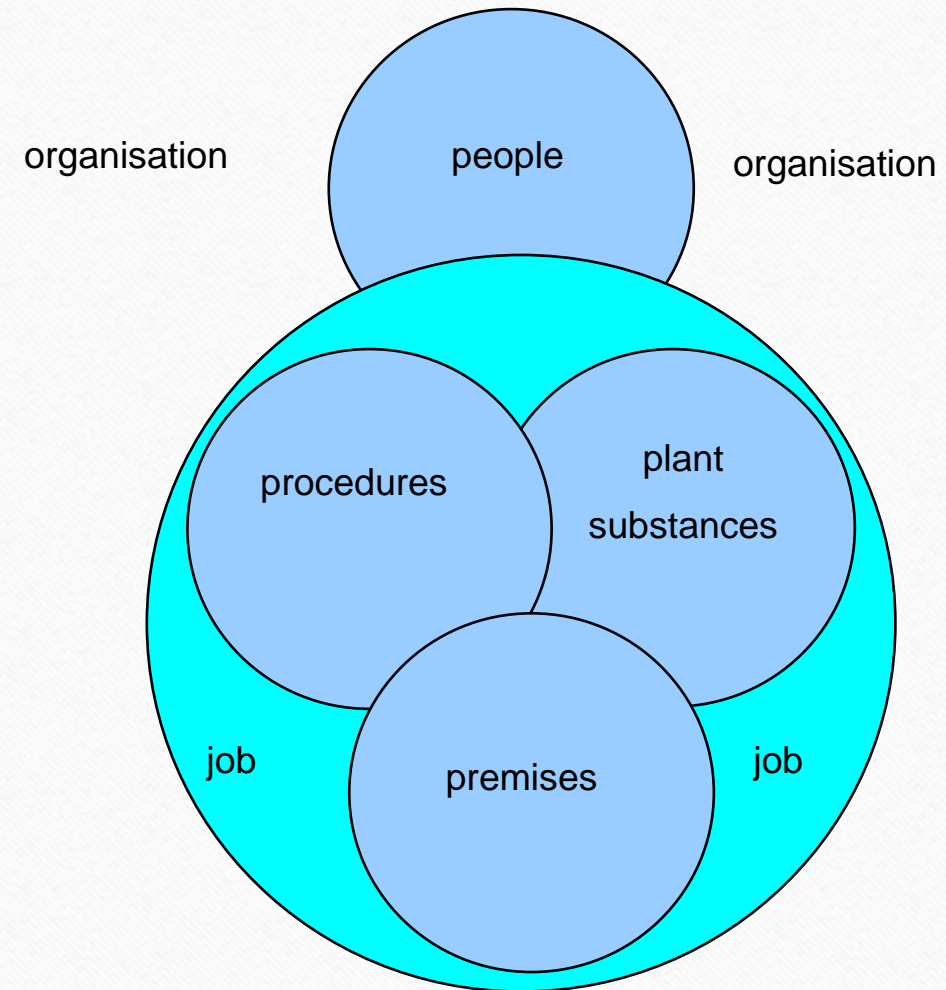
Lord Atkin

OHSAS 18001 - occupational health and safety management systems – specification:

Continual improvement

Management review

OH&S policy

Planning

Implementation and operation

Checking and corrective action

Framework for setting performance standards:

organisation   people   organisation

procedures

plant substances

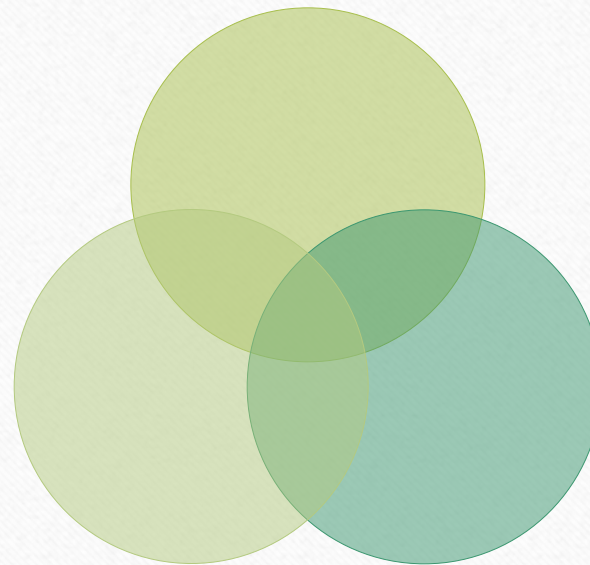job   premises   job

Safety Management Systems

- **Policy**

  - Statement of intent

- **Organisation**

  - accountabilities

- **Arrangements**

  - Implementation

  - Procedures
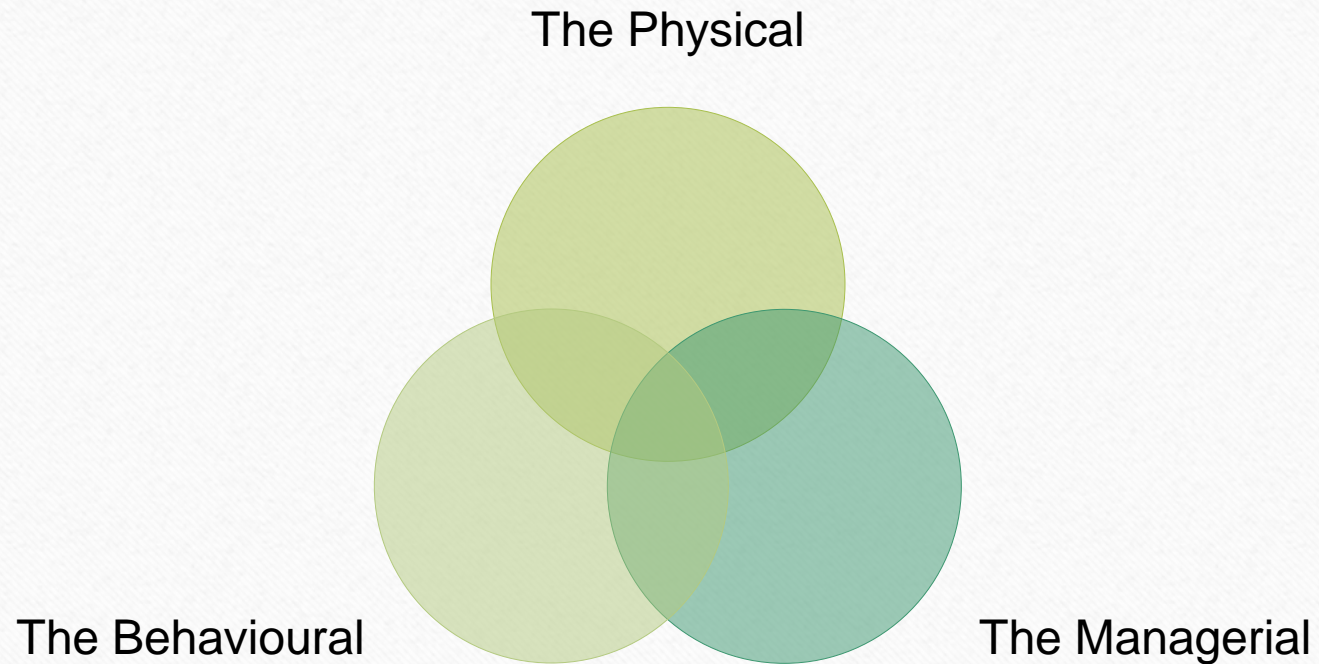
The Organisation as a System
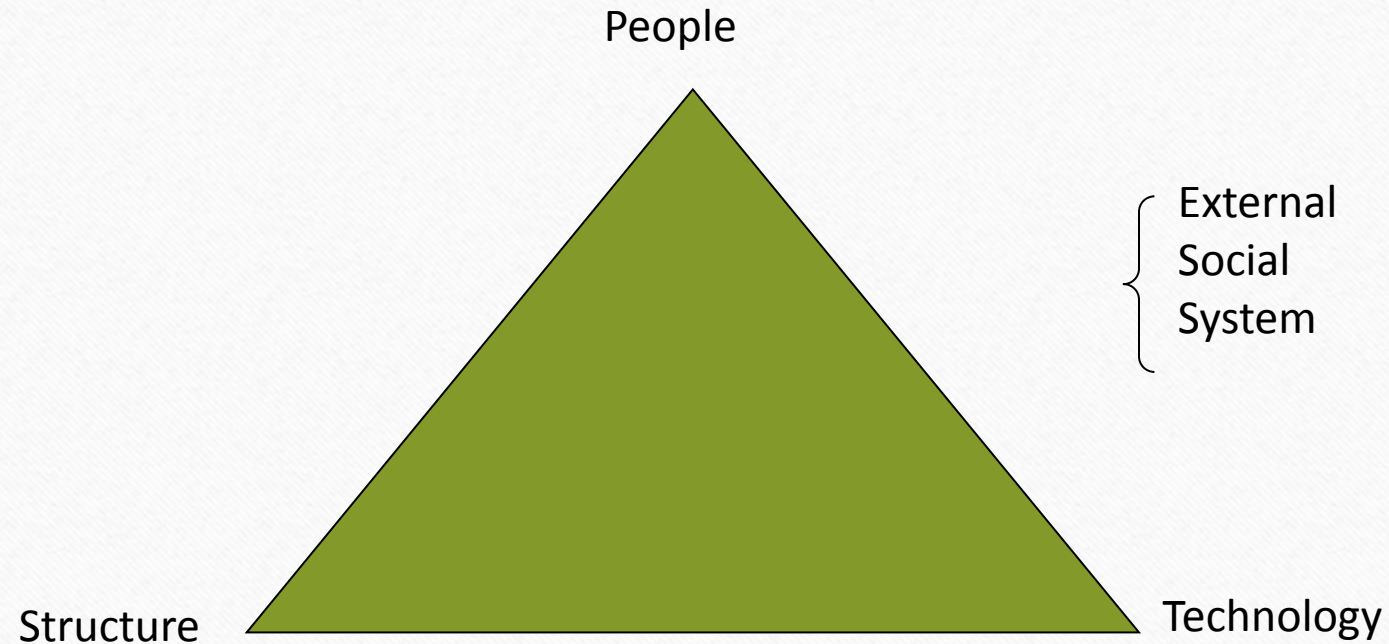
Internal Environment

External Inputs

External Outputs

The Organisation as a System

The Physical

The Behavioural
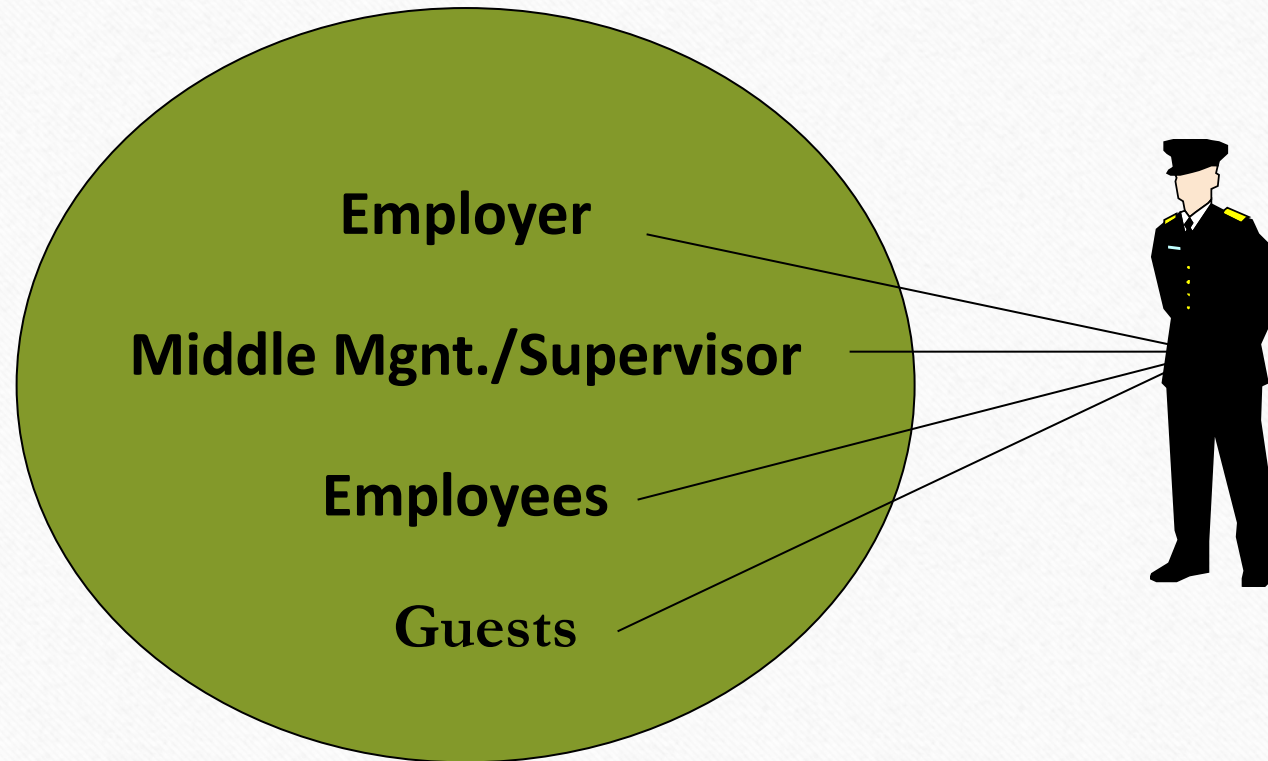
The Managerial

Factors affecting the System

People

External
Social
System

Structure

Technology

Keith Davies PhD Human Behaviour at Work

Health & Safety Structure

Employer

Middle Mgnt./Supervisor

Employees

Guests

SHAW Act Section 7(4)(5)

(4) It shall be the duty of every occupier to prepare and as often as may be appropriate, revise a statement of general policy with respect to workplace, safety, health and welfare, and the organisation and arrangements for the time being in force for carrying out the policy, and to bring the policy and to bring the policy and any revision of it to the notice of all employees.

(5) Where 10 or more persons are employed the statement of policy and the organisation and arrangements for the time being in force for carrying out the policy required by subsection (4) shall be in writing.

Safety Policy

- The law requires that the written health and safety policy should entail:

  ➢ A health and safety policy statement which includes the health and safety aims and objectives of the organization

  ➢ A health and safety organizational structure detailing the people with health and safety responsibilities and their duties

  ➢ The health and safety arrangements in place in terms of systems and procedures

OS&H Policy

- *Shall*:-
  - Be appropriate to the nature and scale of the business.
  - Include a commitment to continual improvement.
  - Be documented, implemented & maintained.
  - Be communicated to all employees, with their responsibilities.
  - Be reviewed periodically

Influences for Safety & Health

- Rules, Regulations & Procedures

- Selection & recruitment of staff

- Attitudes & Behaviours

- Technology

- External social systems

Safety Policy

- Organization should have a clear policy for the management of health and safety so that everybody associated with the organization is aware of its health and safety aims and objectives

- For a policy to be effective, it must be honored in the spirit as well as the letter

- A good health and safety policy will enhance performance of an organization in areas other than health and safety, help with personal development of the workplace and reduce financial losses

Health & Safety Policies

- **Role**

- **Components:-**
  - Statement of Intent
  - Organisation
  - Arrangements

Role

- Shows the intention of the employer (Organisation) to managing safety and health, those who are responsible for carrying through the intention and how that intention is to be fulfilled.

- It is meant to demonstrate commitment to the HSMS.

- It is the overall control document and the vehicle for communication.

Statement of Intent

- Should establish an overview of the objectives that must be fulfilled.

- Demonstrates management philosophy and commitment to health and safety by communicating through a policy statement.

- The statement should be signed and dated by the most senior manager.

Organisation

- Duties and responsibilities

- Organisational Structure in relation to health and safety

- Key people

Arrangements

- **Scope :-** The scope of the arrangements is dictated by the nature of the Organisation, its hazards and controls, which fall into two categories general (accident investigation, induction training etc.) or Specific (electricity, noise, manual handling etc.).

  - Arrangements to control these hazards can be technical, procedural or behavioural

Arrangements

- **Extent :-** The extent that arrangements reached are dependent on the level of risk arising from the hazard and the effectiveness of the control measure.

- **Rules :-** Are created to remind people of the correct way of doing things and the mandatory behaviours expected of them.

  - They should be unambiguous and

  - In a language understood by all.

Arrangements

- **Procedures :-** should set out clear guidelines and standards of performance and apply to:-

  - People selection, training and supervision

  - Equipment and substances-purchase, supply, transport, storage and use

  - Product and services- design, delivery and storage

  - Environmental and place of work control

  - Emergency plans – evacuation, protection of property & business continuity

Arrangements

- **Standards :-** Should identify who does what, when, where, how and with what results.

  - must be measurable, achievable and realistic

  - Should be specific enough to allow them to be measured, referring to numbers, quantities, levels and timing

  - Must be effectively communicated

Why Measure Performance

- You can't manage what you cant Measure- *Peter Drucker*
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  - *Helps in decision Making.*

  - *Address different information needs.*

Reasons for Measuring Performance

- To ensure Organisation's policy is effectively implemented.

- To measure performance against predetermined standards

- To identify substandard practices

- To identify trends & patterns

- Compare performance with targets

- To make recommendations for review of the current management system.

Health & Safety Audits

- **Definition:-**

  A periodic systematic comprehensive examination by management of managerial and operational systems to verify the effective functioning of the systems, and their compliance with standards (whether internally or externally executed).

  - It is a proactive system designed to review existing criteria.

Site Inspection Technique

- Inspections can be broken down into five basic categories:

- Premises – physical structures

- Plant – equipment used in the production/operation process

- Materials & Substances

- Procedures

- People

Safety Priority v Core Value

- **Priority** – flexible, based on internal/external demands

  - Political demands,

  - Individual perception or values

  - Emergency situations(hurricane damage)

- **Core Value** – is a fundamental consideration

  - Is the first consideration what ever the situation

  - Is supported by management at all levels

Influence of the Financial Reporting Council Guidance on Internal Control (formerly Turnbull Report)

- Origins:-

  - Combined code for Corporate Governance, *recommended by*:- Cadbury Committee (1991), Greenbury Report (1995), Hamel Committee (1998) placing a mandatory requirement on listed companies to make annual disclosures how it applied the principles of the code.

Influence of the Financial Reporting Council Guidance on Internal Control (formerly Turnbull Report) (Cont'd)

- The Institute of Chartered Accountants, in 1999 published "*Internal Control Guidance for Directors on the Combined Code*" – commonly called "The Turnbull Report" because the committee was chaired by Nigel Turnbull.

Influence of the Financial Reporting Council Guidance on Internal Control (formerly Turnbull Report) – (Cont'd)

- Report – recommendations to leaders of companies on the fundamental need for risk-management – a risk-based approach for internal control.

- Recommendations became mandatory in 2003.

- The FRC did some updating on the recommendations in 2004.

Recommendations of the Turnbull Report (FCR)

- The board of directors is responsible for the system of internal control. It should set clear policies on internal control and be committed to them.

- Conduct of risk assessment – identify the significant business risks and evaluate their significance.

- Control Environment and Control Activities –

  - have a clear strategy for dealing with significant risks.

Turnbull Report (FRC) – (Cont'd)

- **Clear communication and reporting arrangements** - clear channels of communication should be established.

- **Monitoring and Auditing** – effective monitoring processes are required.

- Recommendations of the Turnbull Report are supportive of safety management systems such as HSG65.

Turnbull Influences on Safety Management

- **Combined code for Corporate Governance**, *recommended by*:- Cadbury Committee (1991), Greenbury Report (1995), Hamel Committee (1998) placing a mandatory requirement on listed companies to make annual disclosures how it applied the principles of the code.

- The Institute of Chartered Accountants of England and Wales working party (the Turnbull committee) to provide guidance for directors on the implementation of the code.

Turnbull Influences on Safety Management (Cont'd)

- The board of directors is responsible for the system of internal control. It should set policies on internal control and seek regular assurance on system effectiveness.

- Managers should have responsibility for implementing policies and identifying and evaluating risks

- All employees have responsibility for achieving objectives. They require knowledge, skill and authority.

- Systems for internal control should be part of the company's management systems and culture (imbedded).

- Risk identification and evaluation should be a continual process.

Turnbull Influences on Safety Management (con't)

- All news, bad as well as good should be reported to the highest levels.

- The internal system should prevent bad news being filtered out by managers before it reaches the top.

- The company should be committed to learning from its past mistakes rather than hiding or denying them.

- A member of the board should be responsible for ensuring that H & S information is passed on to the other members

THE END