



Australian Government

Comcare

The Principles of Effective OHS Risk Management



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Comcare
GPO Box 9905
Canberra ACT 2601

Phone 1300 366 979

www.comcare.gov.au

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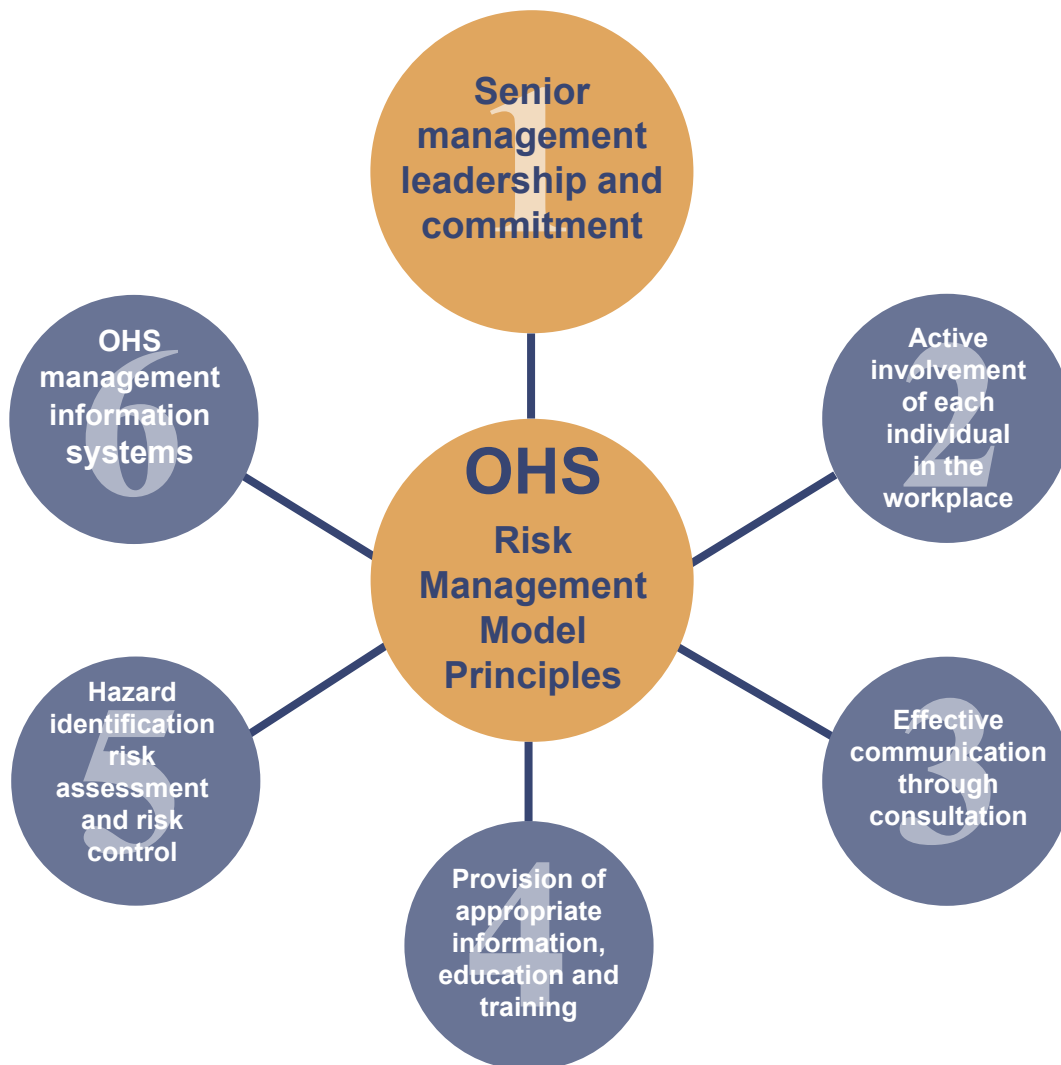
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Introduction

Safety culture is described as the attitudes, values, norms and beliefs which a particular group of people share with respect to risk and safety¹. Senior managers are the key to a successful safety culture. Management attitude, behaviour and style have a powerful effect on workplace safety, and help separate good from excellent organisational Occupational Health and Safety (OHS) performance².

Taking responsibility for workplace health and safety and for safely returning injured or ill employees to work, is part of cultivating productive working relationships and building organisational capacity.

An effective way to create and maintain a healthy and safe work environment is for organisations to integrate OHS risk management into their daily business operations. As a result, the Safety, Rehabilitation and Compensation Commission (SRCC) has developed the OHS Risk Management Model, which contains the following six elements:



The six elements of OHS risk management

¹ Health and Safety Commission (1993), *Organising for Safety*, ACSN Study Group on Human Factors Third Report, London, HMSO.

² O'Dea A and Flin R (2003), *The role of managerial leadership in determining workplace safety outcomes*, at: <http://www.hse.gov.uk/research/rrhtm/rr044.htm>.

Establishing and maintaining an OHS management system will support the integration of OHS risk management. This is discussed in Comcare’s booklet OHS 17 *The Management of Occupational Health and Safety in Commonwealth Agencies. Establishing an OHS Management System*.

1. Senior Management Leadership and Commitment

A key element of the model is senior management leadership and commitment. For an OHS risk management strategy to be successful in an agency, it must be driven by senior management. This is the level of management responsible for making critical decisions in terms of organisational values, priorities and future directions. Risk management is most effective when it is integrated into the initial stages of business and strategic planning.

It should be noted that Australian public service legislation places an emphasis on:

- high levels of professional leadership and expertise; and
- performance management, and accountability in a devolved management framework.

Show leadership and commitment and prevent workplace injuries

These principles are just as appropriate to organisations not covered by the Commonwealth Public Service Act. As part of the legislative requirements, Section 16 (1) of the *Occupational Health and Safety (Commonwealth Employment) Act 1991* (the OHS Act) states that “an employer must take all reasonably practicable steps to protect the health and safety at work of the employer’s employees.”

Senior management is in the best position to demonstrate its commitment to, and provide leadership in, the development and implementation of OHS risk management programs to meet legislative requirements.

Actively involved and accountable senior managers, who drive health and safety activities, are more likely to deliver successful organisational health and safety outcomes. One way to demonstrate accountability for OHS is to incorporate a clause in Australian Workplace Agreements (AWAs) as discussed in Comcare booklet, OHS 32 *Improving Occupational Health, Safety and Rehabilitation Performance Through Workplace Agreements*. Further discussion on improving the effectiveness of safety leadership is highlighted in Comcare booklet, PUB 35 *Safe and Sound, Safety Leadership In Government Workplaces*.

Senior management leadership and commitment means that senior management is actively involved in, and committed to, improving OHS performance within their workplace.

What are the benefits of senior management leadership and commitment?

Productive Workplaces

- improvements in OHS performance and overall business performance and productivity.

Safe Workplaces

- a reduction in the incidence, severity, and costs (both direct and indirect) of workplace injury and disease.

Supportive Workplace Culture

- improvements in the level of communication and consultation between management and employees, and support for a positive health and safety culture.

Compliance

- ensures that the agency is able to achieve its legal obligations under the OHS Act.

How is senior management leadership and commitment demonstrated and achieved?

Senior management leadership and commitment is achieved by:

Leadership and Accountability

- demonstrating a commitment to establishing and meeting health and safety targets;
- recognising and acknowledging managers' responsibility and accountability for providing a safe and healthy workplace for their employees;
- developing and promoting a vision of what is to be achieved in OHS performance;
- providing the necessary resources, both human and financial, to achieve that vision; and
- fostering a workplace safety culture that supports continuous OHS improvement.

Systems Review and Improvement

- ensuring compliance with the organisation's duty of care obligations in regard to workplace health and safety;
- implementing regular internal audits of your agency's OHS program;
- measuring and evaluating safety performance;

- examining how risks have been managed in the organisation, and comparing these to best practice approaches; and
- taking an active role in hazard identification, risk assessment and risk control within the workplace.

Information and Education

- encouraging staff contribution to, and ownership of, OHS issues within the workplace;
- educating managers on OHS issues and their impact on the organisation; and
- providing advice and direction.

2. Active Involvement of each Individual in the Workplace

The active involvement of each individual in the workplace is essential for the success of any OHS management program, and helps to develop a ‘safety culture’ in the workplace. Open communication between management and employees assists in encouraging support for and involvement in OHS activities.

Employees are an important source of OHS information as they are often working with, or in the immediate area of, identified hazards. They can provide valuable advice about risks and possible solutions. For example, employees will have first hand knowledge of:

- problems with work practices and procedures (work systems);
- faults with machinery, plant or furniture;
- difficulties caused by the design and/or layout of work equipment;
- the type, frequency and seriousness of incidents or near-misses occurring;
- the OHS implications of any short cuts taken in work systems in order to save time; and
- OHS management programs after their introduction.

Get involved
Prevent workplace injuries

Section 21 of the OHS Act states that an employee must take all reasonably practicable steps, whilst at work, to ensure that their actions or omissions don’t create risks or increase existing risks to the health and safety of themselves or others. In addition, they must co-operate with the employer in matters of health and safety, and use any equipment provided in a manner consistent with its safe and proper use.

The **active involvement of each individual in the workplace** means that each person contributes to the consideration of safety at every level of the work environment.

What are the benefits of individuals being involved?

Productive Workplaces

- increased productivity due to employee ownership of safer and more effective work methods; and
- reduction in direct and indirect OHS costs.

Safe Workplaces

- reduction in frequency and severity of injury, as staff become familiar with the principles of OHS risk management in their area and begin to practice them.

Supportive Workplace Culture

As staff take ownership of problems at the workplace level

- common OHS goals between management and employees can be established;
- employees are engaged in identifying OHS problems and solutions in the workplace;
- increased awareness of OHS issues in the workplace, as staff take ownership of problems at the workplace level; and
- increased knowledge of how to deal with risks effectively.

How can individuals in a workplace become more involved?

Provision of Appropriate Information

To encourage the active involvement and contribution of everyone in the workplace, managers should encourage employees to attend OHS awareness sessions and provide relevant information to employees on:

- OHS consultative arrangements;
- OHS policies and procedures including risk assessment and control measures; and
- changes to the work environment, premises, plant, equipment, systems of work or substances used for work.

Participation

Encourage open and frank discussion between staff and management on OHS issues:

- ensure there are health and safety committees operating in the workplace;
- encourage employees to be involved in health and safety committees;
- ensure staff/management meetings are conducted regularly and during working hours to encourage maximum participation;

- hold regular meetings at the workplace level to enable staff to discuss safety concerns; and
- encourage staff to raise issues and ensure that issues raised are documented, followed up and reported on.

Co-operation

- maintain an environment based on co-operation and trust; and
- work co-operatively to develop solutions.

Consider the performance management framework

Performance management arrangements generally require all employees to achieve or work towards corporate objectives. An example of a corporate objective may include maintaining a safe workplace and this can be achieved by all employees following safe work practices.

3. Effective Communication through Consultation

One of the primary objectives of the OHS Act is “to foster a co-operative consultative relationship between employers and employees on the health, safety and welfare of such employees at work”.

OHS consultation requires more than an exchange of information, it requires employers and employees to contribute to the pool of knowledge that can lead to quality decision making and improve health and safety at the workplace. Consultation means to appropriately invite and consider employees responses. A consultative approach will assist in defining the context and ensure different views are considered during a risk assessment process. Involving staff at all levels in the consultation process allows for ownership of risk identification and treatment of those risks. It also encourages endorsement for the process and the outcome.

It is also a requirement of the OHS Act that consultation on health and safety matters should occur in specific circumstances. The OHS Act requires consultation to be undertaken:

- by a Health and Safety Representative (HSR) before issuing a Provisional Improvement Notice (PIN) in an attempt to reach agreement in rectifying the contravention (of the Act or Regulations) or preventing the likely contravention [Subsection 29(1)]; and
- by an employer, upon being requested to do so by the HSR on the implementation of changes at the workplace that may affect the health and safety at work of the employees [Subsection 30(1)(a)].

Start communicating and stop workplace injuries.

It is a function of health and safety committees to facilitate cooperation between the employer and employees on health and safety matters [Subsection 35(1)(b)].

Effective communication through consultation establishes a framework that allows for active communication between all parties so that:

- Different points of view can be presented
- All views can be considered before decisions are made, and
- There is room for negotiation about the different points of view with the aim of achieving resolution of any dispute

What are the benefits of effective communication through consultation?

Productive Workplaces

- increased staff morale and productivity; and
- improved management decisions on OHS issues.

Safe Workplaces

- a healthier environment for all employees; and
- a reduction in the incidence, severity, and costs (both direct and indirect) of workplace injury and disease.

Supportive Workplace Culture

- improved working relationships and an understanding between management and employees of each other's point of view;
- employee commitment to OHS and ownership of the outcomes of the consultation;
- effective lines of communication with people knowing who to contact about OHS issues; and
- appropriate forums in place that are able to address issues of concern whenever necessary.

How is effective communication through consultation achieved?

Meaningful consultation between employers and employees is an essential part of effectively managing health and safety at work. This requires an appropriate climate for effective participation. Consider the following:

Participation

- involving staff and relevant parties in the process of OHS improvement, so that staff understand what is occurring in the workplace to make it safer, and why;

- ensuring that staff are consulted about OHS issues of concern in their work environment, and have the opportunity to provide input on appropriate methods of rectifying these issues;
- establishing formal health and safety committee;s
- establishing, supporting and participating in appropriate forums, such as working parties or steering committees; and
- involving employees in the identification and assessment of hazards and the development of control strategies and evaluation of controls.

Information and Education

- providing staff with adequate training, so they have the necessary knowledge and skills to participate in the consultative process;
- providing OHS information in the workplace;
- regularly discussing health and safety at workplace meetings; and
- being aware of differing skills in language, literacy and culture of employees and considering these in all communications, as appropriate.

4. Provision of Appropriate Information, Education and Training

As noted in section 1, Section 16 of the OHS Act requires an employer to “take all reasonably practicable steps to protect the health and safety at work of their employees”. Part of this duty is to ensure that employees are adequately instructed and trained in safe systems of work. This includes:

- safe methods for carrying out tasks;
- use of equipment or substances;
- use of health and safety control measures and personal protective equipment;
- reporting and emergency procedures; and
- their responsibilities for health and safety.

**Provide appropriate staff training...
Prevent workplace injuries**

An employer is also obligated to provide “to employees, in appropriate languages, the information, instruction, training and supervision necessary to enable them to perform their work in a manner that is safe and without risk to their health.” [Subsection 16 (2)(e)].

Provision of appropriate information, education and training means that each individual has the necessary knowledge, skills and information to undertake their functions and responsibilities in a safe manner

What are the benefits of providing appropriate information, education and training ?

Safe workplaces

- reduction in frequency and severity of workplace injury and disease as staff gain knowledge and skills to perform their duties safely.

Supportive workplace culture

- increased awareness of OHS issues within the organisation; and
- improved staff morale and corporate culture as staff become more knowledgeable.

How can appropriate information, education and training be provided?

Training Needs Analysis

Identification of organisational and staff training needs which identifies potential gaps between actual competency and the level of competency required to achieve set objectives. In identifying training needs a range of factors need to be considered:

- the nature of the task;
- the experience, language and literacy of the employees;
- the plant and substances used; and
- hazards identified and risk assessments conducted.

Employers should consult with their employees about the necessary information and training they require to undertake their work safely.

Education and Training Programs

Establish appropriate education and training programs for staff, which may include a structured training regime for employees, encompassing:

- Induction Training
 - Implementation of an induction program for all new employees, irrespective of age or skill level.
 - Induction programs should contain appropriate training on OHS matters, so staff are aware of their rights and obligations (both to themselves and others in the workplace) under the OHS Act.

- An induction program should include:
 - . health and safety procedures;
 - . safety rules of the workplace; and
 - . emergency routines.
- On the Job Training
 - Ensure that staff have the skills and knowledge necessary to perform their job competently and safely.
 - Provide training on correct procedures for manual handling (such as correct lifting techniques, or methods to ‘engineer out’ the need for lifting by using trolleys).
- Refresher Training
 - Ongoing refresher training helps to keep staff informed of operating procedures, corporate policies, and changes to systems/methods of work.
- OHS Consultation Training
 - Provide appropriate initial and on-going training for elected health and safety representatives and staff involved in organisational health and safety committees.
 - Managers and staff should have the necessary skills and knowledge in relation to effective consultation.

Dissemination of Information

Disseminate information such as the minutes of OHS Committee meetings, group meetings, hazard inspection reports, circulars or other OHS information via a range of media, including e-mail, bulletin boards and staff newsletters.

Monitor and Review

- evaluate training programs to monitor their effectiveness and to ensure that employees have an adequate understanding of the matters covered;
- regularly review training material, to ensure accuracy of content, currency, and suitability to the workplace;
- ascertain staff perceptions of any training delivered, through post-training surveys; and
- document training activities and conduct regular reviews of the training needs of staff.

5. Hazard Identification, Risk Assessment and Risk Control at Workplace Level

Identifying hazards, undertaking risk assessment and implementing control measures are the key aspects of risk management. The aim of OHS Risk Management is to reduce the likelihood and consequence of a workplace incident that may result in injury or disease. It is a planned and systematic process for controlling workplace health and safety hazards through examination of all aspects of the work undertaken. More information is available in the Comcare booklet, *OHS 10 Identifying Hazards in the workplace*.

Control risks and prevent workplace injuries

Risk management is an integral part of good management practice and an essential part of good corporate governance. In order for OHS risk management to be effective, it should become part of an organisation's culture. Ideally OHS risk management should not be seen as a separate activity, rather it should be embedded in an organisation's processes and practices.

Risk management lies at the core of any occupational health and safety prevention program and the success of any such program depends on successful implementation of this principle for its success.

Hazard identification, risk assessment and risk control at workplace level may be defined as the systematic application of management policies, procedures and practices to the four-step process of:

- identifying the hazard;
- assessing the risk;
- controlling the risk; and
- monitoring and reviewing the risk management process.

Risk assessment table

The following table is useful in assessing the likelihood and consequence of a particular action. Once this is done, the level of risk can be established. Obviously, if the likelihood and consequences of an action will result in high levels of risk, then the action should be avoided as much as possible.

		LIKELIHOOD			
		Very Likely	Likely	Unlikely	Highly Unlikely
CONSEQUENCES	Fatality	HIGH	HIGH	HIGH	MEDIUM
	Major Injuries	HIGH	HIGH	MEDIUM	MEDIUM
	Minor Injuries	HIGH	MEDIUM	MEDIUM	LOW
	Negligible Injuries	MEDIUM	MEDIUM	LOW	LOW

The **likelihood** of the situation occurring can be rated as:

- very likely;
- likely;
- unlikely; or
- highly unlikely.

The **consequence** can be rated as follows:

- fatality;
- serious or major injury;
- minor injury; or
- negligible injury.

Wherever possible, risks in a workplace should be **removed or reduced as far as reasonably practicable by:**

- elimination;
- substitution;

- isolation;
- engineering controls;
- administrative controls; or
- personal protective equipment.

The hierarchy of controls

The following table provides information on the preferred sequence of risk control in the workplace. This sequence is known as the “hierarchy of controls.”

Method	How to do it	Examples
Elimination	Eliminate the hazard from the workplace altogether. Note - this is the most effective way the workplace can be made safer. This should always be tried before attempting any other method of control.	Dispose of unwanted chemicals Eliminate hazardous plant or processes Repair damaged equipment promptly
Substitution/Modification	If it is not possible to eliminate the hazard, substitute it with something - preferably of a lesser risk - which will still perform the same task in a satisfactory manner.	Reduce box size wherever possible, to reduce weight. Increase the size of the box so that a mechanical aid must be used. Replace a telephone handset with a headset. Substitute a hazardous chemical with a less dangerous one.
Isolation	Isolate the problem from staff - this is often done by the use of separate purpose - built rooms, barricades, or sound barriers, etc.	Isolate and store chemicals properly Put noisy machinery in sound proofed rooms. Use lock - out tags
Engineering Controls	Re-design equipment, work processes or tools to reduce or eliminate the risk.	Ensure proper machine guarding is in place Use separate keyboard and mouse for intensive laptop use. Change bench heights to reduce bending

Method	How to do it	Examples
Administrative controls	Provide appropriate training, written work procedures, adequate supervision, signage, maintenance of plant and equipment, or limitation of exposure time.	Give appropriate training to all staff Provide adequate warning signs Maintain plant and equipment properly
Personal protective equipment (PPE)	Provide adequate personal protective equipment. Note - this is the least preferable method of dealing with a hazard - it should only be adopted when all other methods have proven unsuitable.	Provide earplugs for staff in noisy areas Make sure eye protection is worn when staff are working with hazardous chemicals, dust or particles

How is it achieved?

To facilitate the process of risk management, you should:

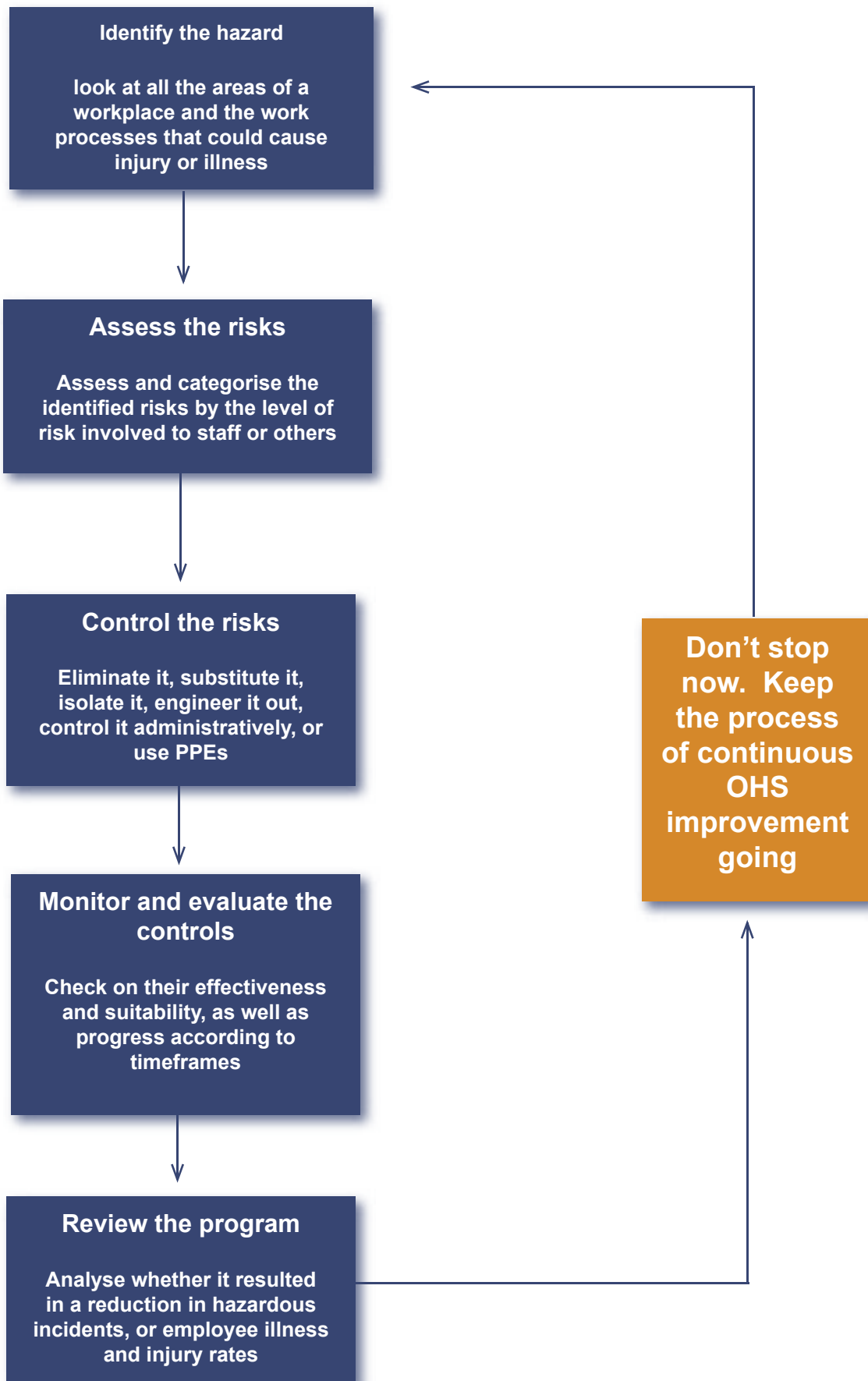
- identify and assess OHS issues of concern, by:
 - development of a hazard checklist;
 - walk-through surveys (inspections) of the workplace;
 - analysing work processes;
 - consulting with employees -they can often provide valuable information about hazards, because they have hands-on experience in their work area;
 - consulting with health and safety representatives and unions on OHS issues;
 - reviewing workers' compensation data and incident reports for your organisation; and
 - benchmarking or liaising with similar workplaces.
- design practices and procedures for prevention and/or management of specific OHS risks;
- implement practices and procedures for appropriate management of staff and workload issues;

- institute appropriate Notification and Reporting systems in accordance with the provisions of Section 68 of the OHS Act and the Occupational Health and Safety (Commonwealth Employment) Regulations 1991;
- integrate OHS practices and procedures into existing operational practices and procedures;
- educate staff and supervisors in risk identification and assessment procedures; and
- carry out regular risk analysis of workplaces, and compare with previous evaluations.

What are the benefits?

The benefits of risk management are:

- staff, supervisors, middle and senior management have a heightened awareness of risks within their work environment;
- risks are identified, assessed and controlled in accordance with the legislative requirements of the OHS Act;
- risk management becomes a part of the organisational corporate culture;
- a reduction in the severity of an accident results in an associated reduction in pain and suffering; and
- a reduction in the severity and incidence of workers' compensation claims, leading to a reduction in associated premiums and hidden costs (such as loss of staff morale, loss of productivity, etc).



6. Development and Implementation of Appropriate OHS Management Information Systems

Risk Management processes are cyclical in nature and the activities should be treated as ongoing. In this sense, risk management is a method of continuous improvement in the decision making process and facilitates continuous improvement in OHS performance.

Use OHS Management Information Systems to help prevent workplace injuries

The management of OHS information makes good business sense. Regular monitoring of OHS issues can indicate injury trends or recurring hazards in the organisation. This information can form the basis of a prevention program specifically targeting these areas of concern.

An OHS Management Information System is designed to provide up-to-date information on an organisation's OHS performance

What are the benefits of a OHS Management Information System?

A good management information system can:

- indicate injury or illness trends within the agency, which gives management the opportunity to institute prevention action specifically targeted at these trends;
- allow management to target specific areas of concern within the agency;
- ensure agency compliance with legislative reporting requirements; and
- help organisations demonstrate due diligence.

How is an OHS Management Information System developed and maintained?

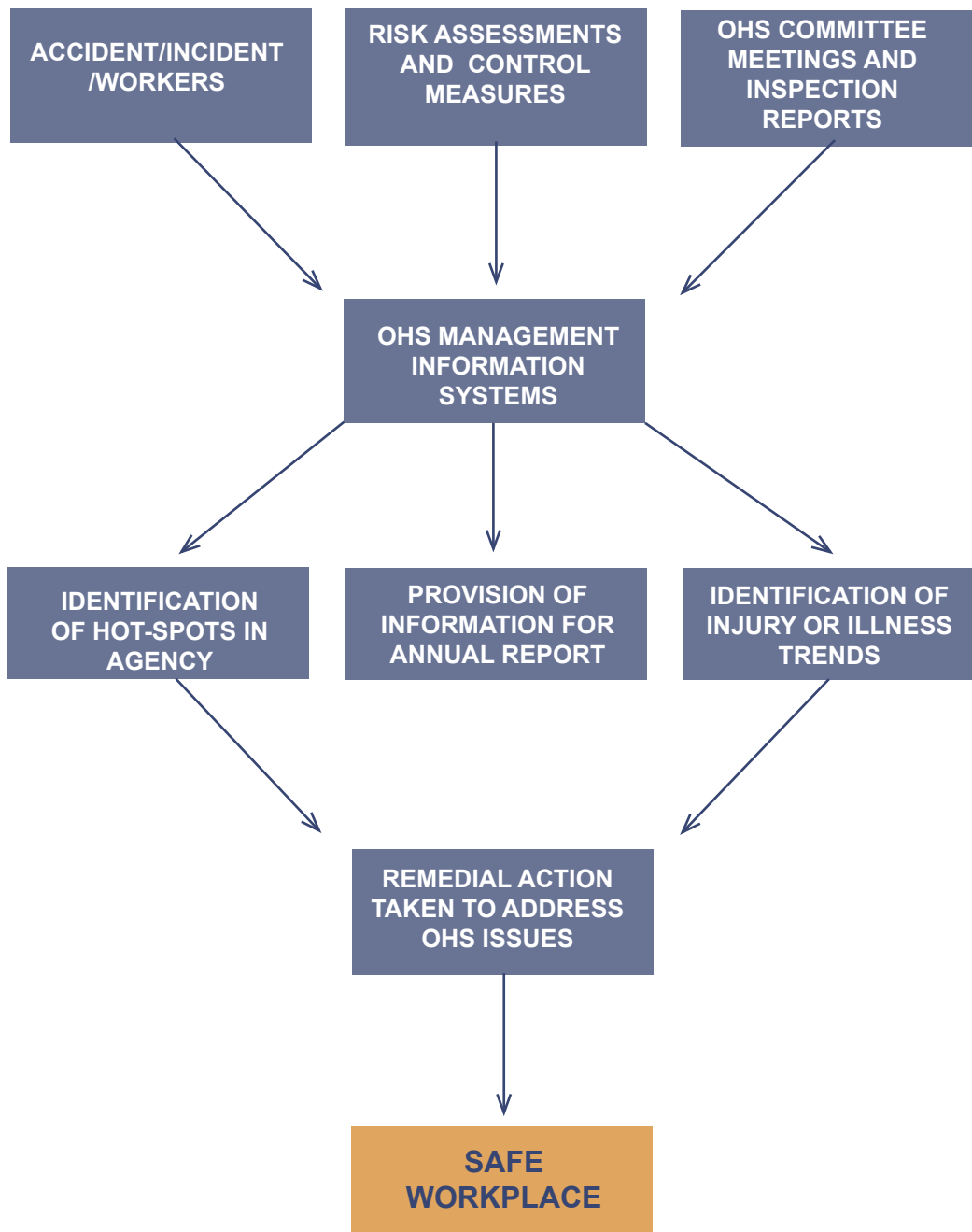
Some aspects to consider are:

- review the current Management Information System, and ascertain whether required OHS information can be obtained from it;
- design specific recording and reporting tools that will collect necessary data for analysis;
- ensure data collected will make a positive contribution to continuous OHS improvement;

- ensure data gathering provides for easy identification of any issues, or problem areas, within the agency;
- ensure compulsory investigation of all incidents and recording of the results, including review of all investigations and risk assessments;
- ensure auditing of the OHS Management Information System is a scheduled management activity;
- monitor data on a regular basis; and
- utilise external sources to add value to your agency OHS Management Information System - for example, for Comcare's premium payers the Customer Information System (CIS) provides a range of reports including High Cost Claims Report, Injury Type Report, Time Lost by Injury Group, Mechanism of Injury Summary, Hot Spot Report, etc.

Flowchart

The following flowchart illustrates the process for utilising Management Information System to achieve a desired OHS outcome, whether it be provision of information for an agency's annual report, or more importantly, provision of a safe workplace for employees.



Further sources of information

Comcare booklet, OHS 01, *Officewise: A guide to Occupational Health & Safety in the Office*

Comcare booklet, OHS 04, *HSR Handbook*

Comcare booklet, OHS 09, *Safety Wise - Self Assessing OHS in the Workplace*

Comcare booklet, OHS 10, *Identifying Hazards in the workplace*

Comcare booklet, OHS 11, *OHS - A Reference Guide for Supervisors & Managers*

Comcare booklet, OHS 12, *Participating in Effective OHS Committees: A Guide for Committee Members*

Comcare booklet, OHS 17, *The Management of Occupational Health and Safety in Commonwealth Agencies. Establishing an OHS Management System.*

Comcare booklet, OHS 32, *Improving Occupational Health and Safety and Rehabilitation Performance through Workplace Agreements.*

Comcare booklet, PUB 35, *Safe and Sound. A discussion paper on safety leadership in government workplaces.* Prepared by Comcare on behalf of the National Occupational Health and Safety Commission.

Comcare

GPO Box 9905

In your capital city

Phone: 1300 366 979

Website: www.comcare.gov.au

For further information contact

Comcare

GPO Box 9905

Canberra ACT 2601

Telephone - 1300 366 979

Email - ohs.help@comcare.gov.au

Internet - www.comcare.gov.au

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