MBAM Annual Safety & Health Conference

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Sunway Resort & Spa

Towards Zero Injuries by creating an Organizational Safety & Health Culture.

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Quo Vadis Sdn Bhd "Health & Safety Solutions"

Content.

- Malaysia construction industry Incident images and statistics.
- Consequences arising from the construction industry's track record.
- Current Safety & Health (S&H) legislation, enforcement and, what to expect going forward.
- Key statement – Construction Industry Transformation Plan (CITP) – Malaysia 2016-2020.
- Creating an injury free environment through applying key elements of an organizational Safety & Health culture.
- Top Leaders discipline, actions of Owners/Clients, Boards of Director's.
- Steps organizations should consider taking after this conference.
- Closing remark.

Serious Incidents involving Malaysia construction sites.

Collapsed flooring

Collapsed form-work

Collapsed passenger lift

Collapsed tower crane

Collapsed roof

Car crushed by a fallen piling rig.

Lifting hook detached

Car drove into an unprotected concrete shaft in the road

Collapsed steel bridge section

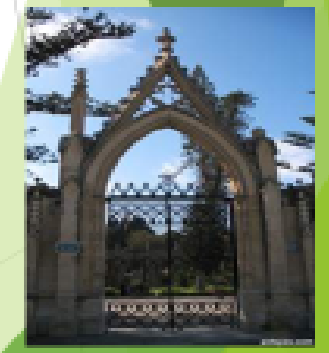
Person crushed by mobile work platform

Source: DOSH & Local Press

Fatality rates compared with other Countries.

	Malaysia			Singapore	UK	Australia
	2014	2015	2016	10 yrs Av (2007-2015)	5-Yrs Av (2012-13-2016-17)	Selected 5 Yrs Av (2007-09-11-13-15)
Total Accidents with fatalities	89	140	160	27	39	35
Fatal accidents per 100,000 workers	7.26	10.69	12.78	7.01	1.82	3.8
	Average 2007-16			Av 2007-15	Av 2012/13 - 2016/17	Av 2007,09,11,13-15
% Construction Accidents/all other industries	37.33%			42.80%	27.40%	14.60%

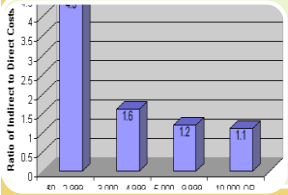
Note :- Malaysia's reporting is immature with many accidents not reported, including fatalities.



Source: DOSH, Country Web-Sites.

Consequences of this track record.

Poor industry reputation with repercussions for recruiting top talent and competing nationally and globally.



In addition to direct worker insurance costs, even higher indirect costs (3-10 times the direct cost) incurred.

Low morale & productivity, management time deflected from productive to investigative.

Costs to the nation e.g. medical costs, lost purchasing power and tax contribution, more inspection & regulation costs.

DOSH & CIDB introducing new improvement programs with tougher enforcement & penalties for non-compliance, setting new standards for the future.

"Lost loved ones - pain and suffering among family, community & society - greatest tragedy"

Current laws, regulations & enforcement in Malaysia.

Occupational Safety & Health Act 514 (1994). (OSHA) – places duty on Main Contractor for workers and members of public.

CIDB 520 Act (2015) *- places duty on contractors for registration, accreditation, quality & safety.*

The Factories & Machineries (Building Operations & Works of Engineering Construction Safety (BOWECS) Regulations - outline specific duties to the Professional Engineer, as a Designer, who designs temporary works.

DOSH

- Safety & Health Systems and Processes, safety of persons.
- Compliance with law

CIDB

- Quality of design, materials and equipment, safety of building's and persons.
- Compliance with law

Enforcement Authorities

HR Ministry

DOSH

Department of Safety & Health (DOSH)

Collaboration since 2016

Construction Industry Development Board (CIDB)

CIDB

Ministry of Works

Penalties for non-compliance – today's legislation.

Contravention of OSH Act:

Duty of employer or self-employed to employees - **> MR50,000 or imprisonment > 2 yrs.**
Duty of designers, manufacturers and suppliers – **> MR20,000 or imprisonment > 2 yrs.**

Contravention of CIDB Act:

* Registration & Accreditation – MR5,000
* Construction Materials – MR10-500,000
* Safety of buildings/people – MR500,000
* **Death of a person - > MR500,000 or imprisonment for up to 2 yrs.**

Company & Management

Management

Level of fatalities and serious incidents are unsustainable which will lead to **stronger enforcement of these penalties.**

What can we expect from DOSH & CIDB.

DOSH - merging OSHA & FMM Acts – final phase - before going to parliament, tougher enforcement and penalties may be expected.

DOSH – in 2015 launched the OSH-MP15 and last year, the Construction Industry Work Safety & Health guideline (Management) 2017 for public comment – targeting regulation.

CIDB – April 2017 & March 2018 Minister of Works key-note speech at ICW KL/Captains of Industry Roundtable – ref to CITP and an urgent need to raise quality , Safety & Health performance to the next level.

DOSH & CIDB – expecting Industry Players to embrace prevention by creating a positive organizational Safety & Health culture in organizations & workplaces.

Statement - executive summary of the 2016-2020 Construction Industry Transformation Plan (CITP).

CITP Executive Summary Quote;

"Quality, Safety & Professionalism are pre-requisites for transforming the Construction Industry into a responsible, developed industry. Today, high accident & fatality rates, limited integration of safety into work cultures, poor quality construction work and collapsing infrastructure are the major issues which still persist in the industry today. These challenges affect the public, business, workers and consumers"

Target KPI: 50% reduction in worker fatalities and injuries with ultimate target of "zero injuries"

tough but achievable target

Source:CIDB-CITP2016-20

How do we achieve sustainable **zero injury** results?

The responsibility of doing something about Safety & Health lie with those who create the risks and those who work with risk.

Lord Alfred Rubens

Create a Safety & Health prevention culture in your organization – led and consistently driven by Top Leaders.

Organizational Safety & Health (S&H) culture frame-work.

Leadership

- Leadership-Management behaviour.
- Leadership-Management decisions.
- S&H as a core value/precondition.

Safety & Health Enabling Systems

- S&H Vision, policy & rules.
- Accident reporting & investigation.
- Lagging indicators.
- Workplace design & site rules.
- S&H Standards e.g. WAH, PPE, CS, MP etc.
- Hazard exposure identification & control – task risk assessment.
- Serious incident & fatality high risk and precursor management.
- Personal risk assessment – 5/6. behaviours, all personnel.
- Continuous improvement plans.
- Health – substance abuse checks (drugs & alcohol).
- Site employee induction.
- Contractor S&H management.
- Field observation – work procedure and at risk behaviour control.
- Worker engagement & culture of reporting danger (hazards).
- Workplace order – good house-keeping system.

Source: Thomas R Krause.

Organisational Culture

Working Interface

- Equipment
- Workers
- Facilities
- Work procedures.

Organizational Sustaining Systems

- Roles & responsibilities in S&H clear.
- S&H management in organizational structure.
- S&H in all management/staff level objectives and goals.
- S&H in job profiles & performance management appraisals.
- Collaboration and cooperation on S&H between Clients/Owners, managers, departments.
- Reward and recognition for S&H participation and performance.
- Job promotion decisions taking S&H into account.
- Disciplinary systems understood and applied consistently.
- Leading indicators.
- Time & Resource.

Safety & Health Culture is a sub-set of Organizational Culture

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Hazard identification and control – a crucial set of programs among others.

Zero Injuries/ Harm

1.

- **Compliance with laws , adopt OHSAS18001, SHASSIC**
- Resources: time, finance, people, commitment to goals
- **Safety & Health Vision & Policy.**
- Zero harm target & how?
- **Safety & Health committee.**
- Accident reporting and investigation with no blame culture.
- **Recognition & Reward.**
- Lagging & Leading indicators.
- **Communicate the above initiatives as well as those under Hazards & Controls.**
- Training.

Hazard Exposures & Risks

2.

- **Hazard exposure identification – activities.**
- Risk assessment – tasks/site environment.
- **Personal risk assessment – 5-6 key behaviours – all personnel.**
- Health – physical condition, alcohol/substance abuse.
- **Worker accommodation, welfare – nourishment.**
- Site environment – construction phase plan, structures, equipment, site order.
- **Migrant workers.**
- Training.

Pre-construction , construction, end-user phases – scope of works, contractual documents

Controls

3.

- **Management & Supervision.**
- Workplace Design & Site rules.
- **Controls for the hazard exposures and risks identified in the risk assessments – HOC.**
- Worker engagement & culture of reporting danger.
- **Good house-keeping.**
- Field/Site observation – work procedure, at risk behaviour.
- **Site inspections – emergency procedures.**
- Technology – Off-Site Modular Const. (IBS), Whatsapp, I-Pad, BIM, Advanced Materials.
- **Safety & Health file – continuity.**
- Induction, Training, specific Migrant Programs.

Safety & Health (S&H) maturity model (ladder).

Increasingly informed, increasing trust & accountability.

Resilient

(S&H at the forefront of business – how things are done)

- S&H – Top leaders believe zero injury achievable, Owners/Managers/Engineers visible and directing S&H initiatives, continuous improvement plans/actions, training plans, S&H a way of life, personal involvement by "all" to prevent incidents, recognition & reward, S&H is a business value/pre-condition, sustaining systems support enabling systems, learning organization, benchmarks with top performers in sector, consistently innovating.

Proactive

(S&H leadership and values drive improvement)

- OHSAS 18001, SHASSIC, ownership shown by - leaders and line managers, S&H Policy, Rules and Vision, S&H in construction phase plans, work-place design, open communications, no-blame culture, worker engagement, training at high level, beyond legal compliance, exposure focused/HOC, accident investigations/learning's shared, leading/lagging Indicators, behavioural management, low tolerance for bad practice, S&H valued and part of management objectives/performance, Health as important as Safety, roadmap to improve, enabling systems. Owners/Clients, Project Leaders & Managers collaborating on S&H matters.

Compliant

(systems in place to manage all hazards)

* HSMS or OHSAS 18001, S&H Policy, focus on compliance with law, some enabling systems, risk assessment/standards, training, S&H Committee, communication channels, medical examinations, monitor LTI's/LTIFR (lagging indicators), high tolerance for bad practice, S&H a priority but not a value, S&H not part of performance/reward.

Reactive

S&H important, we do a lot after every accident)

- Administrative driven, accidents drive reaction, blame culture, dependence on S&H Managers, productivity before S&H, window dressing, accident investigation without deep analysis, minimum legal compliance, PPE to defend exposure, adhoc monitoring, some training, monitoring per regulations, no roadmap to improve.

Vulnerable

(who cares as long as we are not caught)

* No S&H systems, accidents hidden, no or little training, illegal practices, operators not trained/controlled, machinery in sub-standard condition, low worker skill level, non-compliance with S&H laws, workers disciplined and punished, fully reactive, no leadership or S&H management support. Business image vulnerable.

Improving S&H Culture and Performance

Where is the Malaysia construction industry and its organizations on this maturity ladder?

Safety & Health (S&H) culture assessment – question set template.

	Question	Site Response	Assessors View	Improvements Needed
1	**Management Commitment** e.g. where is S&H perceieved to be in management's priorities: senior, middle, front line?			
2	**Communication** e.g. is there effective two way communication about S&H at all levels in the organization?			
3	**Employee Involvement** e.g. how are people (all levels and especially operatives) involved in S&H?			
4	**Training Information** e.g. do employees and contractors feel they have all the training they need?			
5	**Motivation** e.g. do managers give feedback on S&H performance and how?			
6	**Compliance with procedures** e.g. what are written procedures used for?			
7	**Learning organization** e.g. does the company really learn from accident reporting and investigation?			

Refer to next slide for the remaining questions under each question category.

Source: HSE-UK

Safety & Health (S&H) culture assessment questions – cont'd

Management Commitment

-How do they show this?
-How often are they seen in the workplace?
-Do they talk about S&H in the workforce and is this visible to workers?
-Do they walk the talk?
-Do they deal quickly and effectively with S&H issues raised?
-What balance do their actions show between S&H and production?
-Are management trusted over S&H?

Communication

-How often are S&H issues discussed?
-With line management/subordinate?
-With colleagues?
-What is communicated about the S&H program of the company?
-How open are people about S&H?

Employee Involvement

-How are people (all levels especially operators) involved in S&H?
-How often are employees/contractors asked for their input into S&H?
-How often do operators report unsafe conditions or near misses?
-Is there active, structured operator involvement e.g. tool box talks, projects, S&H circles, workshops?
-Is there a continuous improvement/total quality approach?
-Who's responsibility is S&H regarded to be?
-Is there genuine cooperation over S&H i.e. a collective effort by all in the company?

Training/Information

-How accurate are employees/contractors perceptions of hazards and risk?
-How effective is S&H training in meeting needs (incl. managers)?
-How are needs identified?
-How easily available is S&H information?

Motivation

-Are they likely to notice unsafe acts?
-Do managers (all levels) always confront unsafe acts?
-How do they deal with them?
-Do employees and contractors feel they can report unsafe acts?
-How is discipline applied to S&H?
-What do people believe are the expectations of Managers?
-Do people feel this is a good place to work? (why/why not)
-Are they proud of their company?

Compliance with Procedures

-What decides whether a particular task is written into a procedure?
-Are they read, are they helpful?
-What other rules are there?
-Are there too many procedures and rules?
-How well are people trained in them?
-Are they audited effectively?
-Are they written by users?
-Are they linked to risks?

Learning organization

-Do employees/contractors feel comfortable reporting incidents or unsafe conditions?
-Do they report them?
-Do reports get acted upon?
-Do they get feedback?

Persons leading this questioning must be objective, mature, experienced in business as well as S&H to make decent interpretations & judgements.

Source: HSE-UK

“Leadership discipline” required to create a Safety & Health culture.

Leadership Vision: to what extent are leaders able to describe their Safety & Health vision and how it aligns with the organizations goals. How well is vision expressed at each level of leadership e.g. among senior managers, senior executives, middle managers and front line supervisors respectively.

Strategy: is there an actual Safety & Health strategy or only an accumulation of Safety & Health programs.

S&H Communication: how do leaders actively communicate about Safety & Health e.g. in stand-alone communications, by integrating Safety & Health messages into other communications.

Expectations: has the organization defined what good leadership looks like? Have leadership skills been measured either for individuals or across the organization as a whole?

Best Practices: to what extent do leaders use the practices related to Safety & Health performance? For example, do they walk the talk in Safety & Health matters?

Action Orientation: are leaders proactive rather than reactive when responding to Safety & Health concerns? Do they demonstrate a sense of personal ownership, urgency and passion? Do people at different levels take the initiative when it comes to solving, highlighting and reporting Safety & Health issues.

Informed: how informed is management about Safety & Health issues in particular, about significant exposures? Are they aware of the most recent serious incidents and how have they reacted to them?

Plan-Do-Check-Act - actions for Owners/Clients, Company Boards, Directors

PLAN

Core Actions: S&H policy, risks visible to senior managers, policy states Directors/senior managers role in S&H, policy states Directors/senior managers "own and understand" key S&H issues, policy is a live document evolving with change.

How it Can Be Done: S&H on senior manager meeting agenda's, CEO gives leadership of S&H but Directors/senior team can name a champion of S&H at Board level, Directors/senior managers set targets to achieve, non-Executive Board member supports, the Board integrates S&H into the Governance system.

DO

Core Actions: Board ensures S&H adequately resourced, they obtain competent S&H advice, do risk assessments, employees/contractors involved in decisions affecting their S&H, Board has systems to cope with change/new working practices, new processes and new personnel – providing resources and taking advice, Board decisions consider S&H - S&H designed into any change.

How it Can Be Done: Board members visible on front line – leading by example, include S&H in senior management appointments, build S&H into procurement standards, establish contractor safety management, set up S&H committee chaired by a senior manager, provide S&H training for the Board, support front line worker involvement in S&H.

CHECK

Core Actions: Weight given to reporting preventative information and incident data, audits undertaken to check the effectiveness of management structures and risk controls, impact of any changes to procedures/processes /products or a S&H failure is reported immediately to Board, provision to incorporate any legal or other external changes that impact S&H.

How Can it Be Done: Monitoring of sickness and workplace Health alerts Board to underlying issues, compare S&H data with others in the Sector, senior managers appraisals include contribution to S&H performance, Board receives S&H performance reviews of contractors, involve workers in monitoring S&H effectiveness.

ACT

Core Actions: Examine if S&H policy reflects the organizations priorities, plans and targets, check if risk management/other S&H systems reported to the Board, report S&H shortcoming's and effect of Board/Management decisions on S&H, decide actions to address weaknesses and a system to track progress, consider immediate reviews in the light of major shortcomings and events.

How Can it Be Done: Performance on S&H is reported to shareholders, investors, other stakeholders and in annual reports, Board/ senior managers make front line site visits to gather information first hand, good S&H performance celebrated at central and local level, Board receives audits on S&H in its workplace and acts.

What steps should organizations take to create a strong and lasting Safety & Health culture.

Compliance with S&H legislation alone does not prevent injuries

1
Evaluate current state

Enabling programs, **Sustaining** programs, **Work-Interface** and **Leadership**

2
Identify gaps using the organizational frame-work and cultural assessment tool

3
Agree a step by step action plan with accountabilities and time-frames monitored by **Top Leaders**

4
Embrace change management principles to help with the transformation

5
Take advice on Safety & Health to help you along your journey and continue to **dialogue with Government** enforcement agencies

Continuous Improvement

Changing a culture requires a lot of discussion, communication and learning.

Leaders change culture by holding different assumptions and by making them visible through words and actions

Closing remarks.

"I have no colour prejudices, nor caste prejudices, nor creed prejudices. All I care to know is that a man/woman is a human being, and that is enough for me; he/she can't be any worse"

Mark Twain

*"**Everyone** has the right to return home each day to their loved ones unharmed"*

END

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