

STRATEGY FOR MEETING THE OCCUPATIONAL SAFETY AND HEALTH NEEDS OF SMALL AND MEDIUM SIZE ENTERPRISES (SMES) A SUMMARY OF ROSPA'S VIEWS

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THE FOCUS ON SMES

In recent years, in both the UK and throughout the EU, there has been a renewed interest in finding better ways of helping small and medium size enterprises (SMEs) to meet the objectives of occupational safety and health law (OSH) law. This has been due partly to accumulated evidence from enforcing authorities and other key OSH system stakeholders about low standards in small firms; partly to on-going review of health and safety performance which has shown a marked lack of progress in SME dominated sectors; and partly as a result of the need to examine alleged 'burdens on business' - specifically in relation to small firms in the context of calls for de-regulation. In the UK, both the previous chair of the Health and Safety Commission (HSC), Sir Frank Davies as well as, the current chair, Bill Callaghan, have made the issue one which is central to their strategies for OHS performance improvement. Building on a national process of consultation to listen to small firms themselves and to probe their perceptions and needs, the HSC's current strategy called, '*Revitalising Health and Safety*' (RHS) has made positive engagement with small firms a clear priority.

This paper reviews a range of strategic issues associated with efforts to improve OHS in small firms and sets out RoSPA's views and suggestions on possible ways forward.

Challenges

As in many other EU Member States (MSs), small firms (defined by the UK's Department of Trade and Industry - DTI - in the UK context as employing less than 50 employees) play an increasingly important part in the economic life of the UK. They account for some 3.5 million businesses (99 per cent of all firms) and about 45 per cent of all private sector employment. The growth in the number of small firms in recent years has been associated with a number of trends, including the restructuring of traditional industrial sectors, contracting out by large firms of non-core business activities and the growth of self-employment and in the number of micro-businesses (less than five employees). Also, many large organisations have restructured as small independent cost centres which, in practice, function like smaller firms. Although the survival rate for business start-ups is still relatively low, small firms are viewed as a major source of new employment. These trends have led to an increasing recognition by Government and regulatory agencies of the need to modify approaches to regulation and business assistance to create a positive environment for business survival and development.

In 1996 the UK Health and Safety Executive (HSE) carried out a consultation initiative aimed at small firms, which received an unprecedented response from small businesses themselves. It demonstrated on the whole

that, in contrast to views expressed by some small firms organisations, SMEs themselves accepted the need for action on health and safety but wanted more help in this area. The evaluation of responses to the consultation showed that, in general, SMEs were not opposed to health and safety law but required assistance to interpret it and develop appropriate responses.

This consultation exercise and subsequent work undertaken by HSE and others HSE confirmed was that small firms face a number of distinct challenges when dealing with OS&H issues.

- Accident rates are generally higher (on average in manufacturing in firms employing less than 50 the rate of fatal accidents is roughly twice that in firms employing 1000+).
- Nevertheless, in any particular small firm, the average interval between accidents and incidents can be long, meaning no corporate memory of accidental harm.
- The lean management structure in most SMEs (owner/managers running all aspects of the business themselves) means there is little time to focus on health and safety in detail.
- The business is likely to have other pressing priorities including finance, sales, meeting deadlines as well as a raft of other regulatory requirements covering taxation, employment, environmental requirements and so on.
- Many small businesses have a relatively short life meaning insufficient time to mature and establish necessary systems and skills.
- Those in charge may not have had any specific OS&H training and may not have access to specialist advice and services.
- Both owners and employees may be ignorant of hazards, risks and control measures ('not knowing what they don't know').
- They are unlikely to be part of business networks and rely on informal, word-of mouth communication to secure information and advice.
- Many small businesses which are either owned by or employ ethnic minorities face difficulties in coming with terms with OSH requirements.
- Further, there may be suspicion of or anxiety about contacting enforcing authorities and fears about the potential costs of OS&H compliance.

Very importantly there is an increasing recognition that, although in essence the business challenges faced by small firms are similar to those confronted by large organisations, small firms are not simply smaller versions of large companies. While they may adopt formal systems (for example, as required by customer specifications and business standards) their internal dynamics are much more informal, their communication pathways are more direct, they are characterised by oral rather than literate cultures, and their business structures and tactics tend to be highly flexible. All of these factors have implications for the way in which OHS system stakeholders seek to engage with SMEs.

Strategic priority

Improving OS&H performance in small firms therefore is a key priority in the UK's overall OS&H strategy, particularly in RHS priority sectors such as construction and agriculture in which employment is heavily concentrated in small business units and which together account for over half of all notifiable work related fatalities.

Strategy Point 4 of the HSC's RHS strategy states "There is a need for positive engagement with small firms, by promoting clear models of how they too can reap the benefits of effective health and safety management. We must commit to simplifying law that is over-complicated with their needs in mind, without compromising standards, and ensure (for the reasons set out in para 96) that small firms are not deterred from seeking advice for fear of enforcement action. We must redouble efforts to bring pressure to bear through the supply chain, particularly in Government procurement."

Looking back over the last ten years HSE's approach to small firms has, in general, been two-fold: firstly to develop much better general guidance and awareness materials (e.g. 'Essentials of Health and Safety at Work' and 'The Health and Safety Regulations – short guide') and to facilitate much easier access to basic information (e.g. the HSE 'Infoline' service, the HSE website etc); and secondly to promote the development of

work by intermediaries to influence OSH management in small firms, particularly via its contractual relations strategy, for example, in construction and the petrochemical sector. This has included extending pre-tender OSH assessment of potential contractors and the development of OHS 'passport' schemes for contractors' staff working for the same sets of major clients.

Besides developing better information provision and maximising supply chain or procurement influence over health and safety in small firms, HSE have also committed themselves to simplifying their guidance (although this is not without its difficulties) and also to finding new ways to remind SME's about the costs of accidents (see below).

An even greater challenge has been that of developing new ways of accessing and testing SME views on specific policy developments.

The improvement in information provision coupled with advertising in the media and improving access to information has all been generally positive but it has tended to presuppose that information alone will be a sufficient initiator of change. Arguably what is required is a much closer examination of the contexts in which information is likely to generate change, for example in dialogues between SME's and other agencies with which they come into contact and which have (or could have) the potential to impinge on OSH management.

New approaches

In RoSPA's view therefore, the key question which needs to be addressed is the extent to which these elements, welcome as they are, constitute a 'suitable and sufficient' strategy to produce a radical shift in SME OSH performance.

In its reports on small firms (*'Small and Safe'*, March 1995 and *'Response to the HSC's Discussion Document, Health and Safety in Small Firms'* July 1996) RoSPA welcomed HSE action aimed at SMEs but argued for new approaches to promoting better compliance by small firms with health and safety law. In particular the Society has argued the case for setting up a new high-level HSC advisory committee to bring together key players to advise on how to promote health and safety in small firms. The HSC have made a move in this direction however by appointing one Commissioner, Judith Donovan, with specific responsibility for small firms.

RoSPA has continued to argue that the model of internally self sufficient 'self regulation' advanced by the Robens Committee of 1972 (the foundation of the current UK regulatory regime) can never be fully effective in small firms for reasons outlined here. Nevertheless, it has to be accepted that individuals' rights to protection at work should relate to level of risk not employment numbers. On the other hand, small businesses tend to lack resources, motivation and expertise in relation to OSH and thus need outside help. At the same time they also need to be encouraged to maximise their ownership of OHS by allowing them to use simple and non-bureaucratic options to focus effort on key priorities. RoSPA has suggested that this could be facilitated by giving SME's the option of developing a simple 'Health and Safety Action Plan' - in essence 'a safety case writ small' or a 'home grown' working memo setting out the firm's general OSH objectives, procedures and allocation of duties together with a list of its principal hazards, the control measures required and any additional action needed with target dates for compliance. This sort of approach RoSPA has argued could be minimally bureaucratic and would enable HSE and other enforcers to gauge how well the firm had understood the essence of its OSH problems. It would also provide a better focus for 'intermediaries' (such as business development bodies, employers and trade associations and larger clients) who wanted to help small firms engage with OSH in a practical way.

The 'business case'

In recent years, (initially to counter calls for wide-scale deregulation in the area of health and safety and latterly to explore other 'drivers' for change beyond legislation) HSC/E have placed considerable emphasis on the so called 'business case' for health and safety. This was set out first of all in their publication HSG96, *'The Cost of Accidents'* and underpinned HSE campaigns at the end of the nineties such as *'Good Health is Good Business'* (GHIGB). It followed closely from major macro-economic work by HSE's economists, Davies and Teesdale, showing that the overall costs of accidents and ill-health to the UK economy were in the region of £16 billion or nearly three per cent of GDP. HSG96 suggested that the ratio between insured and uninsured losses arising from accidents may be in the range of 1:8 to 1:36. GHIGB stressed the value of management action on health issues in reducing absenteeism and in raising staff morale and productivity.

HSE's 'ready reckoner'

As part of RHS, the HSC/E have produced a web based '*Ready Reckoner*' to help small firms particularly to understand the costs of accidents (www.hse.gov.uk/costs). It includes a simplified methodology based on HSG96. A leaflet version has also been designed for distribution as via insurers,

Despite RoSPA's support for the use of 'business case' arguments to help motivate employers to take action on H&S issues, the Society has questioned how persuasive this approach is likely to be in motivating small businesses to take OSH more seriously.

While the accident cost reduction case is strong for small firms at a macro level, at the micro level (and certainly for micro-businesses) it does not 'ring true'. Although accident rates may be higher in small firms, the interval between work related accidental injuries or ill health occurring in such businesses can be extremely long. Employers are being asked to spend scarce resources (particularly time) on inputs such as OSH training or specific control measures, when their perception is likely to be that they do not have accidents. Similarly the chances of a very serious work related accident causing critical business interruption are likely seen as remote, particularly when compared with other risks to business continuity. In fact, insofar as they are likely to be concerned about safety and health and the loss of key workers etc, this is more likely to be focused on employees being off work due to non-work accidents (e.g. road accidents, sporting injuries) and other forms of ill health (flu, colds etc). In short, the macro case does not fit the micro experience. Further, not every OSH intervention is likely to be cost effective, certainly not in the medium term. Some measures are expensive but have to be taken simply to comply with the law. These factors tend to suggest that, in practice, the 'Business Case' alone cannot be regarded as a self-sustaining health and safety 'driver'.

The ethical case

In RoSPA's view, the evidence base for the efficacy of the 'business case' approach is still quite small. Employer bodies such as the Engineering Employers' Federation in the UK have taken a number of initiatives to promote 'business case' arguments in favour of OSH ('*Safety Pays*'). Some evaluation of the impact and persuasiveness of these initiatives would seem to be indispensable in taking forward action in this area, particularly since there are some indications that cost considerations form only part of a wider series of motivations. For example, HSE commissioned research into what motivates senior managers to address OS&H ('*Factors Motivating Pro-active Health and Safety Management*' - HSE Contract Research Report 179 by Michael S Wright, ENTEC UK Ltd, July 1998.). This suggested that, while many managers making health and safety decisions seek to derive comfort from 'business case' arguments, in practice, they are more likely to be motivated by factors such as company values, peer expectations and perceived threats to individual and corporate reputation. In this sense, 'the business case' provides a degree comfort or reassurance for decision makers rather than a tool for making economically based decisions.

There is also the danger that use of 'business case' arguments in isolation could lead to the impression among employers, particularly in small firms, that the regulator sees them essentially as 'amoral calculators' who can only be expected to take action when there is a direct prospect of business gain. Another problem is that in calculating the costs of prevention, it is often not possible to disaggregate prevention spend from total investment.

RoSPA's has continued to argue that the ethical case still needs to be advanced as the primary reason for taking action on health and safety, with 'business case' arguments in a clearly secondary and supporting position. For example, because relationships in small firms are usually close knit, employers in this category often 'care' about their employees but do not 'understand' or 'know' how to turn this 'care' into practical action. Thus, rather than trying to persuade them to take action by highlighting the costs of business interruption associated with accidents or work related ill-health, it might be more persuasive to focus on the psychological consequences for them and their staff of an accident as well as on their positive feelings of responsibility. (There is HSE evidence, that employees in SMEs are more likely to return to work immediately following treatment than employees suffering the same level of injury in larger firms.)

A broader approach

In RoSPA's view, the main audience for the 'business case' should be the wide variety of business advisers and intermediaries that interface with small firms. And rather than focusing simply on costs it should seek to set out a much broader 'business case' for safety and health, showing how a positive, proactive approach to

tackling risk at work can benefit the business in a number of ways. These include: improving quality and reliability (reducing errors and accidental damage losses), encouraging workforce participation and innovation, raising workforce morale, and enhancing corporate reputation in business dealings (such as tendering for contracts etc and demonstrating corporate social responsibility). The aim should be to challenge widespread views of OSH as being a prescriptive, technical, regulatory, 'burdensome' and generally tedious subject and to show how it is as an essential part of managing an effective and professionally run operation. In short, the case for action on OSH should be presented more in terms of improving effectiveness rather than simply avoiding loss - with a strong emphasis on the links with productivity, workforce morale and corporate culture, empowerment innovation and competitiveness.

There is however a clear need to develop further tools and case study material for use by professionals such as business decision makers, professional advisers (accountants, insurers and brokers, bankers, business development advisers) and business educators to track accident and ill health costs as part of business planning and business performance monitoring. All these groups have an important role to play as intermediaries in challenging negatives stereotypes of OSH not only among small firms but other key influencing groups. Indeed, one of the findings of an HSE funded research project undertaken by Aston University and RoSPA into coverage of OSH in business schools was that the subject tended to be viewed as separate from mainstream business disciplines and thus case study material was needed to be able business educators to address OSH management within other core elements of the business education curriculum and not as a separate subject.

Nevertheless, there are probably very direct business benefits to be derived from effective health and safety management in many areas, particularly accident prevention as well as prevention of certain kinds of ill health leading to absence e.g. stress related ill health, back pain etc. The 'business case' for occupational safety is probably stronger than the similar case for health (although some field studies in particular UK companies would tend to refute this). The case for safety rests heavily on the extent to which efforts to prevent injury also prevent accidental events in which injury does not occur but which still involve high cost. The 'business case' for preventing work related health problems (particularly those with long latency) is not particularly strong since, arguably, a bigger burden or cost here is borne externally by Society as whole.

There is also the problem that, while action on health and safety may save a whole business money in the medium to long term, it can still put pressure on individual departmental or divisional budgets in the short term. This means that at both macro and micro levels there is a need to focus on those kinds of opportunities for OSH investment which will produce direct and early 'pay back'. Another problem is that even in companies with moderately developed monitoring systems, being able to demonstrate cost effectiveness of action on OSH is very difficult.

Despite these limitations, financial incentives cannot be overlooked. As part of the consultation that preceded RHS, HSC sought views from key players on how the HSC could continue to build on its current approach by developing a more robust system of complementary economic incentives which can promote compliance with health and safety law. Suggestions here include: creating a clear link between the level of employer's liability insurance premia and standards of proactive health and safety management; providing grants and funding support for health and safety improvements; tax breaks to encourage health and safety spending; guidance to institutional investors on how to assess OSH management capability (within the context of corporate social responsibility) as well as more work with key financial 'intermediaries' (such as the banks) to promote better understanding of 'the business case'.

In RoSPA's view, while the 'business case' must be deployed wherever it is persuasive, a fuller range of 'motivators' must be identified, including factors such as fear of loss of individual or corporate reputation, links to quality and reliability, peer group and sector expectations and so on. Above all, promoters of OH&S must continue to advance the ethical case for prevention and not allow supporting arguments such as the 'business case' to assume a wholly dominant position in campaigning and awareness raising activities.

Working 'with and through' others

Increasingly there has been a recognition within HSC/E that HSE inspectors and 'Workplace Contact Officers' (WCOs) can only reach a handful of businesses by direct contact. It has therefore to depend on a range of information strategies to reach wider audiences and, while considerable success can be achieved in disseminating information, if not advice, by paper and electronic media, there are significant costs involved and the impact of the messages thus transmitted can be highly variable.

A key factor here is the context in which information is delivered, whether, for example, it is part of some other business support activity and the extent to which it is identified as relevant and appropriate by the intended recipients. These considerations plus the experience developed by HSE in the course of its work aimed at influencing small firms, have led to a general recognition that the Executive needs in future to extend its outreach by working increasingly 'with and through' others. Such work can extend from provision of information and 'signposting' to strategies for self-policing and promotion of compliance, for example through client/contractor relationships. What is not clear however is: how HSE approach the question of selecting various 'intermediaries' or 'partners'; the basis on which such a selection is made; and the assumptions underlying the overall approach.

While HSE conceive of themselves as being at the centre of a web of OS&H players (and in many respects their role as regulator justifies this), many potential 'intermediaries' or partners have their own very clear OSH agendas, depending on their position and primary purpose. Deciding future opportunities for 'partnership' therefore depends on understanding the nature and extent of overlapping areas of interest and common objectives. Also the strengths and weaknesses of potential 'partners' need to be established. Some may have significant OS&H expertise but less outreach. Some may have considerable communication, networking and outreach capability but few in-house OSH resources and indeed may not see the subject as particularly relevant. In such cases development support (including secondment, mentoring and direct financial incentives) may need to be considered. In other cases, where relationships are on a firmer footing more formal 'partnership agreements' may need to be considered, detailing shared values, goals, specific objectives and mutual support.

As part of the RHS debate RoSPA has argued the case for creating an agreed functional map of the OSH system on which the role and functions of all key stakeholders can be clearly identified. Such a map would, for example, enable identification of a wide range potential 'intermediaries' and the development of a data bank on their OSH activities and level of engagement. Key categories include: large firms clients (from supply chain to 'good neighbour'); employers (and employers' organisations); trade bodies (of all kinds); trades unions; business development and support bodies (of all kinds); banks; education institutions (further, higher, business schools); professional bodies (safety, hygiene, medicine, OH nursing etc); voluntary bodies (e.g. RoSPA and BSC); and local H&S groups. (The potential for greater partnership working with the latter is explored in more detail below.)

Integration of health and safety advice into business development

The current focus on the 'business case' for health and safety has also highlighted the extent to which these issues are not yet fully integrated into existing UK business development and support processes. In 1996 RoSPA mounted a pilot project (with HSE funding support) to explore the potential of 'Personal Business Advisers (PBAs) in 'Business Links' to guide their small firm clients towards essential sources of information and advice and this generated considerable interest. RoSPA believes that, by persuading small firms that 'Good Health and Safety is Good Business', PBAs can not only help prevent accidents and ill health, but they can also show small firms how actions on these issues can make their businesses more successful.

More work is needed to examine ways in which OSH signposting and advice can be integrated into the services provided by business support schemes and mechanisms. Some of these include: quality assurance schemes (ISO 9000); environmental management standards (ISO 14000); Investors in People (IIP); the Management Charter Initiative; and business planning by banks etc. There is also need to exploit the link with corporate social responsibility. It seems clear that the various standards, themselves, are too insular and do not sufficiently take account of their mutual coverage of a whole variety of management techniques. There is a need to continue to map management standards, recognising that the existing plethora of (apparently) competing standards can be very off-putting for small firms

One of the reasons for the lack of integration of OSH into management standards may be a poor understanding by the professionals involved of essential health and safety management principles and where health and safety fits in relation to their wider business development agendas. RoSPA would like to see more information and publicity aimed at these groups to raise their awareness of the contribution which effective health and safety management can make to overall business success. There is a need to dispel the myth among many business advisers that health and safety issues are complex, technical matters to be dealt with only by specialists. All such advisers need to understand the importance of good health and safety in relation to other key objectives such as quality, innovation, efficiency, cost reduction and employee relations.

Recently the HSE have concluded arrangement's with the Government's Small Business Service (SBS) to ensure that business advisers are better able to diagnose small firms' OSH needs and direct them to suitable sources of advice. There are nevertheless still relatively few examples in which business development agencies in the UK have put in place structured schemes for delivering OSH management development services and training.

Oral cultures

HSE research into the communication of messages about chemical hazards (*'The right information, to the right people, in the right way'*) has revealed what RoSPA and others have suspected for some time. That is, not only do small firms tend to have an incomplete understanding of their hazards and the risks they face (HSE's research suggests that understanding in SMEs of long term health effects of chemicals is weaker than understanding of short term effects) but that they tend not to rely on written information for guidance. Advice is sought through networking and informal routes and little use is made of published guidance from HSE or indeed suppliers' data sheets, many of which can be deficient. Further, a significant proportion of workers in SME's in the UK have difficulties in reading official publications. This suggests that, in future, greater use must be made of face-to-face communication techniques (with written materials to support this approach rather than the other way round); videos rather than leaflets; guidance based on pictograms and bullet point action plans and so on. There is a clear need for communicators in the OSH field to embrace common understandings about language and presentation which have informed approaches in advertising, popular newspapers and even schools education. These issues have profound implications for the plans of many OSH system players to reach out and provide encouragement and assistance to SMEs. Above all they suggest that more emphasis should be placed (initially at least) on making face-to-face contact with decision makers in SMEs rather than relying on published information to stimulate changes in attitude and engagement with OSH issues.

The OS&H role of larger clients

Strategically RoSPA has chosen to focus its limited resources on advancing and maintaining OHS standards in relatively larger organisations with established OS&H culture, expertise and values. Partly this is because the Society sees them as a resource for the OSH system generally, for example, given the powerful effect which such organisations can play in influencing OHS standards in many other smaller businesses in the business chain. HSE too have placed considerable emphasis on the idea of large firms and central Government (which is committed in RHS to being an exemplar employer) influencing OSH standards in SME contractors, suppliers and even customers. The idea here is that companies which have themselves developed a strong capability to manage work related risk and have a vigorous health and safety culture, have a key role to play in exercising influence over health and safety standard in all other businesses with which they routinely come into contact.

Where larger companies engage contractors - particularly to undertake high-risk tasks such as installation, maintenance, waste disposal or cleaning - HSE have insisted that they will have suitable arrangements in place to ensure that they only engage safe contractors. This involves close attention to detail at all stages of the process, beginning with a thorough assessment of competence at the pre-contract stage and continuing throughout the job via close co-operation between all parties and appropriate levels of supervision and monitoring. This goes right through to the end of the contract when health and safety performance is reviewed and recorded.

Such companies may choose to develop their own lists of 'approved' contractors. They will also provide contractors and sub-contractors with all necessary information and other forms of advice and support including: training, specialist occupational medical and hygiene services and encouragement to enter either their own or external health and safety award schemes.

This approach to influencing SMEs has great potential but, handled incorrectly there is a real danger that large firms may develop unnecessarily bureaucratic approaches to OSH management of suppliers and contractors leading to a reinforcement of negative OSH stereotypes rather than the reverse. It is important therefore that, in seeking to screen and control contractors, clients do not adopt approaches that actually work against HSE efforts to simplify OSH law and guidance.

Suppliers

Companies which are committed to high standards of health and safety performance can also be encouraged to have procurement systems and standards in place which enable them to avoid purchasing plant, equipment, substances which pose unacceptable risks to either quality and/or the health and safety of their operations. Such systems will also be capable of identifying cases in which a supplier's management of health and safety is deficient so that remedial action can be taken. Companies which exercise such a role in relation to their suppliers, often support them through the provision of appropriate health and safety information and consultancy, through training and through appropriate, periodic reviews of performance. Often the client's motivation to exert influence over OSH further up the supply chain is not only to exercise corporate social responsibility but to avoid adverse impacts on their business continuity arising from accidents and enforcement action, for example where the client may be working on a 'just-in-time' basis.

'Good Neighbour' principles

Beyond influence exercised via purely commercial relationships, there are also possibilities for companies which are committed to raising OSH standards to provide help and support to their immediate neighbours. They can do this by supplying necessary information, by making available their own expertise to such neighbours, for example, by providing additional places on training courses, by providing specialist advice and services and by providing practical support and funding for local voluntary health and safety groups (see below). They may also seek to raise awareness of OSH issues in local businesses by sponsoring events, by seeking media coverage for health and safety initiatives (for example during 'European Weeks of H&S') and by working with appropriate intermediaries to disseminate information at a local level.

HSE has produced useful guidance, '*Good Neighbour Schemes – a guide for employers*' aimed particularly at larger business which are working along side smaller firms. RoSPA has sought to support this approach by including reference to these principles in its guidance criteria for its own OSH 'sector awards'.

Certification

In recent years there has been an increasing focus on the development and standards for OSH management systems. The underlying motivation has been to outline the system elements, which an organisation should have in place to enable it to manage OSH in the same way that it manages other key business issues such as quality or environmental impact. Since the publication by the HSE of their now well known guidance, '*Successful Health and Safety Management*' (HSG65), the British Standards Institution (BSI) have produced guidance on health and safety management systems (BS 8800) and further guidance has been produced on the same subject by the European Commission's 'Luxembourg Committee' and the International Labour Organisation. These publications have been deliberately constructed as guides and not auditable standards and thus, in April 1999, BSI's commercial arm, sponsored by a consortium of certifying bodies, launched OHSAS 18001. This is a health and safety management system 'standard', certification to which is based on auditing. Certification in OSH is now widely available and has been taken up by a variety of organisations in different sectors.

RoSPA strongly supports the case for promoting a systematic approach to OSH management and the development of guides which enable organisations to carry out 'gap analysis' to assess strengths and weaknesses in their current approach. However, together with many industry organisations, RoSPA has expressed opposition to the proliferation of quasi standards such as OHSAS 18001 on the grounds that:

- a 'standard' is unnecessary given the authoritative guidance is already available in HSG65 and the other publications mentioned;
- the level of competence required of auditors - a critical issue - is often not specified;
- there is the danger of too great a reliance on scrutiny of documents rather than evidence gathered by auditors from interview and observation;
- given this bias, 'certification' to such an OSH management 'standard' cannot of itself attest to high or improving standards of overall performance, only basic standards of administrative consistency; and
- 'certification' is likely to be 'pushed' inappropriately to clients by certifying bodies (many with little previous involvement in OSH), leading possibly to additional costs, bureaucracy and little

real added value. Consequently the significance of basic ‘certification’ on these lines is likely to be oversold by both ‘certificating bodies’ and the ‘certificated’.

More significantly however, when promoted to SMEs by clients in the contracting context, there may be further dangers. The management system approach embodied in the standard may not fully recognise the informality and flexibility that tend to be hallmarks of SME management. The imposition of standards may in turn violate principles of ‘good regulation’ and thus may serve only to damage SME perceptions of health and safety in general (c.f. ‘quality’ standards such as BS 5750/BS EN ISO 9000); and certification may involve use of scarce resources in SMEs which might be better deployed in other ways.

In RoSPA’s view, the future use of OSH management standards remains very much an open question. RHS includes a recommendation that HSE should work to create a health and safety management ‘yardstick’ for small firms. Regardless of what form this takes or indeed whether certification gains wider acceptance, it seems clear to RoSPA that companies will need to be encouraged to prove to themselves and others that they:

- have the essential elements of an OSH management system in place;
- are on a path of continuous improvement;
- are measuring progress against plans and targets; and
- are learning from their health and safety experiences.

Small firms, like all businesses, need to consider carefully how they can best furnish evidence to key audiences (such as potential clients, insurers etc) of their capability to manage health and safety. In its web-based guidance on *‘Measuring and Reporting on Corporate H&S performance’* RoSPA has argued for a broader approach to OSH performance assessment, taking account of:

- ‘inputs’ (integrity of OSH management systems and culture);
- ‘outputs’ (measures of safe systems of work); and
- ‘outcomes’ (low levels of error, harm and loss).

In small firms, for statistically obvious reasons, evidence of ‘inputs’ and ‘outputs’ is bound to be of more significance than ‘outcome’ evidence such as accident rates. Given that requirements for extensive documentary evidence will not be appropriate for most SMEs, such businesses need to be encouraged to develop approaches to OSH performance reporting which are proportionate to their circumstances (for example, reporting progress achieved against a simple ‘health and safety action plan’ - as suggested above).

RoSPA takes the view that developing consensus about OSH management system standards and auditing (and health and safety performance measurement generally) is going to be vital in order to meet the targets set in RHS. (It is about to launch its own web-based guidance on setting corporate OSH improvement targets.) The Society has therefore suggested that the HSC should consider setting up a special review group in this area to examine and report on the issues involved and to serve as a focus for stimulating a wider debate on strategic OSH management issues raised in RHS.

Measuring OS&H ‘culture’

While the management ‘systems’ view of OSH focuses heavily on the formal features of proactive health and safety management, there is an increasing understanding that the effectiveness of systems depends in practice on the creation and maintenance of a robust health and safety ‘culture’ at the workplace. BS 8800, for example, stresses that the success of formal health and safety management arrangements depends heavily on ‘culture and politics’ within organisations and that OS&H ‘culture’ is a subset of an organisation’s overall ‘culture’.

Although the concept of ‘OS&H culture’ may lack some degree of intellectual rigour, it can be defined as a shared understanding within an organisation of the significance of health and safety problems and the appropriateness of measures needed to tackle them. HSG65 also talks of culture in the context of ‘control’, ‘co-operation’, ‘communication’ and ‘competence’.

More recently the HSE and others have developed tools to ‘measure’ health and safety culture, mainly through the use of confidential questionnaire ‘*Safety Climate*’ survey techniques which probe employee attitudes, perceptions and behaviour. The results are designed to help identify strengths and weaknesses. Users of the HSE’s survey tool have reported that, in large organisations particularly, it can present challenging findings to senior managers and thus organisations using it need to be prepared to embrace its findings in a positive way. It is becoming clear that OSH ‘culture’ or ‘climate’ surveys can be a useful complement to formal auditing and can yield useful insights at a corporate level. Although focused on OSH management in large organisations where there are extensive and formal lines of accountability and communication, there may be scope for developing simpler climate survey techniques for SMEs.

Delivering OSH services

Efforts to promote awareness of health and safety in small firms inevitably raise the question ‘where do such firms go for professional help?’ RoSPA has continued to argue that the HSC should take a leading role in developing a comprehensive approach to the delivery of OSH services - rather than just relying on a free market in health and safety services to fill the present gap. Some key elements of such an approach include: giving effective guidance on the kinds of ‘competent’ persons required to deliver essential services; better regulation (or self regulation) of consultants; financial support for companies to encourage use of health and safety services; closer links between ‘primary health care’ and occupational health and safety services; more effective promotion of services via ‘intermediaries’; and a greatly strengthened role for bodies such as RoSPA affiliated local Health and Safety Groups (see below).

While RoSPA strongly opposes the idea that health and safety is only for ‘experts’ (and supports the idea of maximum involvement of firms themselves in solving their own health and safety problems), relevant specialist expertise is still required. New ways are needed to help small firms identify the services they need and to gain access to them.

Recently there have been a number of developments which suggest that a more strategic approach to service delivery may be in the offing. As part of its strategy for addressing health and work (‘*Securing Health Together*’ – SH2), the HSC are to consider proposals for an occupational health network in the UK. National Health Service Trusts have begun to offer occupational health services to local businesses on a consultancy basis (‘NHS+’). Also, in response to a joint approach by the British Safety Council, RoSPA and the Institution of Occupational Safety and Health (IOSH), the HSE are committed to undertaking a strategic review of health and safety training needs and methods of delivery.

Health and safety groups

A particularly enduring but still under-recognised source of outreach for HSC/E to small firms are the 80 or so local RoSPA affiliated groups spread throughout the UK - many having been established in the 1940’s and ‘50s and some dating back to the 1930s. Made up of representatives from local companies and other organisations, they provide a unique self-help mechanism at local level for staff dealing with health and safety matters as well a means of promoting health and safety at work by reaching out to help other local businesses. They are non-profit making voluntary bodies, in many cases receiving support and sponsorship from member companies (and sometimes other sources). Many are registered as charities and the bulk of their work rests on the contributions and efforts of their members.

Some of the key objectives of groups include: promoting interest in, awareness of, and the need for accident and ill health prevention generally; providing a network for the dissemination of knowledge; and fostering a spirit of fellowship and cooperation at local level in all matters connected with occupational safety and health and working collectively to enhance the protection of people from workplace risks.

Thus for any organisation, the main benefits of belonging to a local group include: regular contact with other companies’ health and safety staff (managers, safety advisers, supervisors, safety representatives), local education establishments, ‘Business Links’, local authority staff and representatives from the enforcement authorities - HSE inspectors, local authority environmental health officers (EHOs), the emergency services, safety product suppliers etc; maintaining current awareness of health and safety issues through a regular programme of invited speakers, occasional seminars and conferences, newsletters, company visits etc; access to lively discussion, debate and new ideas; the ability to share problems and expertise with others in similar situations; enjoyable social opportunities; and enhancing company image both with other local businesses and the wider community.

Membership of local groups is open to industrial, commercial and other organisations as well as individuals on payment of a modest annual subscription (usually about £35 or less). Groups usually hold monthly (as well as other special) meetings in convenient locations. Their officers are usually elected at their annual general meetings, when programmes of meetings and other activities for the year are normally agreed.

One initiative by the National Health and Safety Groups Council has been a pilot project, with part funding by the European Commission, involving the establishment of a network of local health and safety information centres at key points in the UK. The centres, which have been staffed by volunteers, are designed so that small firms can get basic information and advice about how to meet their health and safety responsibilities. They are independent of HSE and local authority inspectors but provide 'signposting' to such services where appropriate.

Workforce involvement

RoSPA also believes that more work is needed to secure effective worker involvement in OS&H in small firms. The framework provided by the Safety Representatives and Safety Committees Regulations in which recognised trades unions can appoint safety representatives with certain statutory rights and functions, has had a positive effect on OS&H but mainly in large organisations. This has been helped by the support provided for them through union structures and the TUC. On the other hand, despite the introduction of the 'Employee Consultation' Regulations to cover un-unionised workplaces, there are still major problems in achieving the same kind of input by workers' safety representatives in business where employers do not recognise trades unions. The HSC are currently committed to consulting on options for streamlining regulation on employee involvement and consultation. They are also mounting a series of pilot exercises to test the feasibility of creating 'workers safety advisers' who could cover a number of workplaces in a district or in a sector. RoSPA has suggested that, in very small workplaces there could be merit in the idea of appointing a health and safety 'champion', perhaps someone who combined safety representative, basic advisory and even first aid roles but who could call on help from outside when necessary - for example, from a local H&S Group.

OTHER SUGGESTIONS

Sharing problems and experiences

Notwithstanding the problems of sharing and disseminating information in SMEs there is a real need to find new ways of sharing information and experiences in SME networks. Suggestions here include web based anonymised case studies of accidents in (and lessons learned) SMEs, 'OSH circles' as part of small business clubs; sharing costs of consultants on technical developments, posting information on the internet by SME winners of OSH small firms awards etc. Another approach here is for large clients to facilitate the establishment of site based contractors' OSH committees. HSE are working with the SBS to incorporate companies which exhibit good-practice in OSH, within their 'national demonstrator company programme', with the particular aim of showing how good OSH can be integrated with good management practice in general. This project however still in its start up phase.

OSH training or action plan orders

Rather than fining companies which break OSH laws (and leaving them with fewer resources for prevention), RoSPA and others have begun to argue that the courts in the UK should be combining suspended sentences with compulsory OSH training/'action plan' orders for senior managers (or SME owners) under the supervision of a competent person who the firm would have to pay for. Satisfactory completion of retraining or introduction of management systems and preventive measures would result in fines or other penalties being lifted or reduced. This approach to sentencing, while possibly less effective in meeting Society's need for punishment, could be seen as more socially progressive in that it would be focused on reform rather than retribution.

International co-operation

In recent years international agencies at the European level have played an increasingly important role in focusing on the challenges to OSH created by small businesses across the EU. The whole question of SME's is central to the new EU strategy statement for OSH. Also, the work of the Bilbao Agency has shown how new approaches to identifying, recognising and disseminating 'good practice' can be used to stimulate

change and development through the sharing of ideas and experience. These practical steps now need to be built upon to provide a platform for sharing and comparing strategies for motivating and supporting action on OSH in SMEs in all MSs.

SOME TENTATIVE CONCLUSIONS

As in other MSs, small firms play an increasingly important part in the economic life of the UK.

Small firms can face significant challenges when seeking to manage OS&H.

It has to be accepted that individuals' rights to protection at work should relate to level of risk not employment numbers.

Small firms are not opposed to the idea of OSH regulation but they need help to understand their problems and meet their legal obligations.

Small firms are not just smaller versions of large organisations.

The business case for OSH based on cost saving is likely to be less persuasive in small firms than an approach based on ethical considerations and the contribution which OSH can make to improving business efficiency, innovation, effectiveness and competitiveness.

The information advice and awareness raising strategy of HSE is to be welcomed but more attention is needed to understand how and when information empowers OSH change in small firms.

There needs to be a fuller appreciation of the largely oral culture of most small firms.

HSC/E need to continue to develop their awareness raising and outreach work in conjunction with a range of 'intermediaries' or 'partners', including the possibility of concluding 'partnership agreements and focusing on approaches based on face-to-face contact and mentoring.

OS&H development advice should be part of all business support and development processes that are being promoted via the UK Government's SBS.

More work is needed to extend the positive OSH role of major clients (including central Government) in influencing OSH attitudes and standards in small firms who are selected as contractors/suppliers.

Small firms should be given the option of developing simple, non-bureaucratic OS&H 'Action Plans' which will be acknowledged by enforcing authorities. Such plans should also be part of business plans required by banks, funders etc.

Basic OSH training should be given to all business advisers with a clear emphasis on 'business case for OSH' and the essentials of health and safety law, risk assessment and successful health and safety management.

Relationships should be established between the Small Business Service and all relevant OS&H 'intermediaries', including, large 'good neighbour' firms which can provide advice and mentoring, trade associations and other bodies which can give 'advice about advice' and providers of OSH training and services.

There needs to be a review of the effectiveness of 'good neighbour' initiatives, including at European level.

Care should be taken to avoid over-bureaucratising approaches to OSH in small firms through the development of management standards and certification.

There is a need to find simple approaches which will enable small firms measure their OSH performance against some sort of simple 'action plan' or management standard or yardstick.

Similarly, it may be possible to develop simpler OSH climate survey tools for SMEs.

There needs to be a strategic review of access by small firms to OSH training and specialist OSH services.

Close links should be established with H&S Groups. Small firms should be encouraged to become members of groups as a low cost way to access advice and support in OSH.

A concerted attempt is needed to find practical solutions to independent worker representation in small firms, including the idea of appointing an OSH 'champion' who combines prevention and first aid roles.

There is clear case for novel approaches to sentencing which focus on remedy rather than punishment.

Novel approaches are also required to help small firms share and compare learnings about both solutions and lessons learned from accidents and incidents.

There is also a clear case for a review at EU level of the various strategies employed in MSs to reach and influence OSH in small firms.