



## **EU-OSHA - MSEs and OSH (based on the EU-OSHA / SESAME project's outcomes)**

**Supporting micro & small companies with interactive risk assessment tools –  
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# What the presentation is about

- **Supporting the business of MSEs;**
- **Ensuring the health, safety and welfare of their workers (important concern of both EU economic and OSH policy);**
- **Providing such dual support requires a good understanding of:**
  - ✓ The role of MSEs in the EU economy;
  - ✓ The nature of OSH outcomes experienced in them;
  - ✓ The contexts in which these occur and the influences that determine them;
  - ✓ What works in supporting and improving arrangements and their outcomes for OSH in MSEs?
- **This presentation is based on the findings from a research project (SESAME)**

## What does the profile of MSEs in the EU look like?

- **In numbers:**
  - ✓ A massive presence in the EU;
  - ✓ Growth in the last decade (now slowed — sectoral variations).
- **They are less significant when other measures are used, including value added, labour productivity, innovation etc.;**
- **Employ around 50 per cent of the EU workforce;**
- **Weakly unionized;**
- **But don't forget - not just about the economy – MSEs also have a social value.**

- **Multiple programmes, sector specific, country specific:**
  - ✓ MSEs increasingly conceived as drivers of growth, wealth and prosperity;
  - ✓ Equals a shift from Fordism to flexible specialization;
  - ✓ Support and deregulation;
  - ✓ Increased market uncertainty for the MSEs and possible also a shorter time horizon in connection to their strategic planning;
  - ✓ MSEs also increasingly suppliers to larger companies, new problems in need of attention.

# Outcomes for health, safety and the work environment / conditions

## ▪ Injuries and fatalities

- ✓ A significant size effect on occupational fatalities and serious injuries;
- ✓ Incidence greater even after compositional effects are taken into account.

## ▪ Work related ill-health

- ✓ Fatalities from occupational accidents may be decreasing;
- ✓ Not the case for the far greater burden of mortality and morbidity caused by work related exposures;
- ✓ No single reliable source of the proportion attributable to exposures in MSEs.

## ▪ Work environment working conditions

- ✓ Lacking measures of the quality of work environment and working conditions in MSEs;
- ✓ Indications of poorer work environment and working conditions.

## Bring home this message:

*While the evidence is far from complete, there is sufficient indication of poorer OSH performance among smaller enterprises — with strong evidence from sophisticated secondary analysis of fatality and serious injury data combined with indications of poorer health outcomes, lower job quality, poor work environment and poor working conditions in a significant proportion of MSEs.*

# Reflections on the findings (SESAME Project – Report 1)

- Mixed picture on OSH (with many paradoxes – partly explained by the heterogeneity of MSEs);
- ‘General and multifaceted lack of resources’ determine poor OSH in MSEs. An aspect of wider social, economic, regulatory and labour relations issues within which they are embedded;
- A substantial proportion of work in MSEs takes place in firms which are typical of those pursuing ‘low road survival strategies’ in high risk industries:
  - ✓ A weak economic position;
  - ✓ Low investment in OSH;
  - ✓ Limited knowledge, awareness and competence of owner-managers;
  - ✓ Limited capacity to manage systematically, attitudes and priorities;
  - ✓ Concerns for economic survival ALL determine low uptake of preventive arrangements in substantial proportions of such firms in hazardous industries.

## Reflections on regulation and compliance

- Regulatory approaches to OSH may not be appropriate or effective in MSEs;
- Research on regulation suggests limited engagement and weak compliance practices of owner-managers in MSEs, in which those on OSH are situated;
- Typologies describe a range of compliance behaviours;
- Suggests greater prevalence of non-compliance behaviours among firms pursuing 'low road' survival strategies, among which harmful exposures for their workers' H&S are also likely to be disproportionately experienced;
- Emergent set of regulatory/compliance strategies with potential to address the challenges of MSEs – in which exploiting intermediaries, supply chain influence and public/private regulatory mixes may be effective - but evidence for success is scarce.



# What works in supporting and improving arrangements and their outcomes for OSH in MSEs?

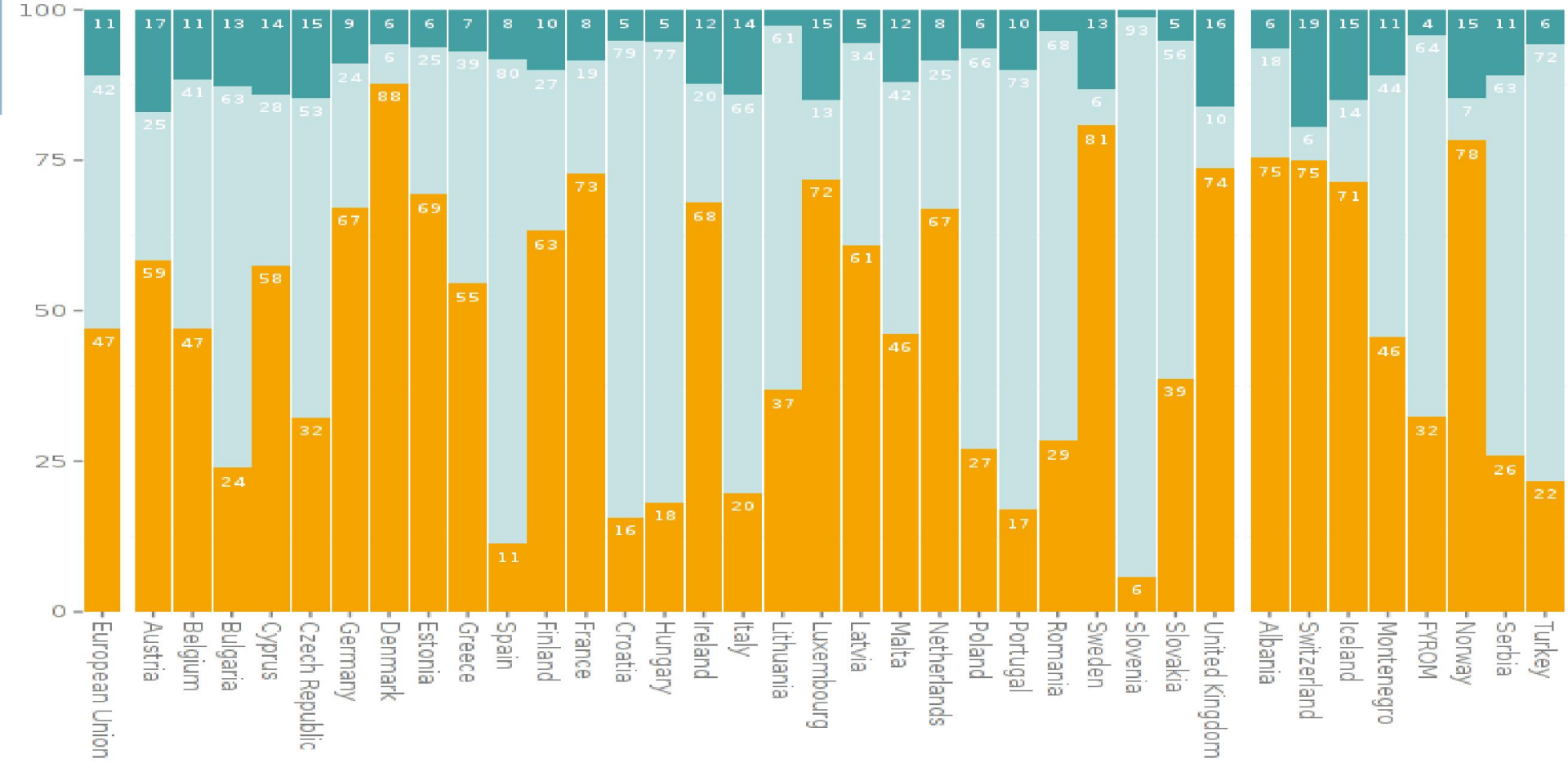
- The research project has highlighted several interesting good examples and initiatives, which show that OSH can be addressed and improved in MSE.
- It can be done through mechanisms like:
  - ✓ Direct interaction with intermediaries;
  - ✓ Regulation;
  - ✓ Information;
  - ✓ Incentives;
  - ✓ Tailoring to the needs and work practice of target groups;
  - ✓ Coordination, networking and orchestration.

# Direct intervention – Intermediary – Labour Inspectorate

- **Main goal - *Enforce compliance with OSH legislation***
  - ✓ The Inspections send a signal to the MSE from society about the need to ensure a minimum OSH standard.
- **Main challenge - *Lack of resources***
  - ✓ Limited budget combined with cutbacks in budgets and high cost of reaching a large number of MSE
- **New methods for labour inspection**
  - ✓ Provide guidance (through tools, for instance) on how to carry out risk assessments, which is expected to help MSE to comply with regulations.
- **Balance / decision to be made between control and support**
  - ✓ Tension between the traditional role of OSH inspectors (inspecting and regulating compliance) and taking on a more advisory role.

## Direct intervention – Intermediary – OSH advisors

- **In several countries, OSH advisors / preventive services are the main or most important intermediaries with the direct personal contact with the MSE;**
- **Many differences when it comes to OSH advisors in the different countries;**
- **Important distinction between OSH advisors offering their services on a market basis and OSH advisors offering their services without cost;**
- **Learning from experience with OSH advisors:**
  - ✓ Advice free of charge is important for the positive attitude and use of the service;
  - ✓ Personal meeting or contact with the advisor is appreciated by many MSE who are as rule not very keen to use written material about OSH;
  - ✓ The advisors have good knowledge about the sector and are perceived as peers by MSEs, which give them high legitimacy among MSE;
  - ✓ The advice is often concrete and helps MSE solving problems.



■ Conducted mainly by internal staff  
■ Contracted mainly to external providers  
■ Both about equally

# Direct intervention – Intermediaries – Social Partners

- **MSEs typically less well integrated in the national industrial relations systems and the workforce in MSEs tend to be less well organised / unionised;**
- **Unions' main contribution:**
  - ✓ Offering counselling to their members;
  - ✓ Disseminating OSH information;
  - ✓ In some countries, providing OSH training.
- **Employers' associations and similar organisations are mainly involved indirectly with MSEs;**
  - ✓ Membership is generally low among MSEs and it is major constraint for the outreach of employers' associations.

# Direct intervention – Intermediaries – Non-OSH intermediaries

- **The constraints for reaching out to MSE in an efficient manner have spurred an interest in non-OSH intermediaries as a way to convey OSH support:**
  - ✓ Studies on the role of accountants; agricultural advisors and chemical management for apple growers.
  - ✓ There are some good experiences, but also with much remaining to develop this strategy into an efficient tool for improving OSH in MSE
- **Key success factors for non-OSH intermediaries:**
  - ✓ Making use of an existing network and a stakeholder with high legitimacy;
  - ✓ MSEs appreciate “one-stop-shop” (one advisor for everything);
  - ✓ Non-OSH advisor has a good knowledge of the sector;
  - ✓ Advisors can also transfer experiences and solutions to problems between companies;
  - ✓ Provide face-to-face contact and practical ‘real-world’ advice.

# Intermediaries have an important role in relation to OSH in MSE

- **However, not all intermediaries and national settings are equally effective**
  - ✓ In most cases their reach is limited due to scarce resources and lack of business interest;
  - ✓ Intermediaries have to adjust their services to the needs of MSEs (not standardised or too expensive solutions / proposals);
- **Many efforts have been made to combine the regulatory efforts of inspectors with several other intermediaries.**
  - ✓ But these suffer from competing interests between intermediaries (OSH advisors having another agenda than social partners or authorities);

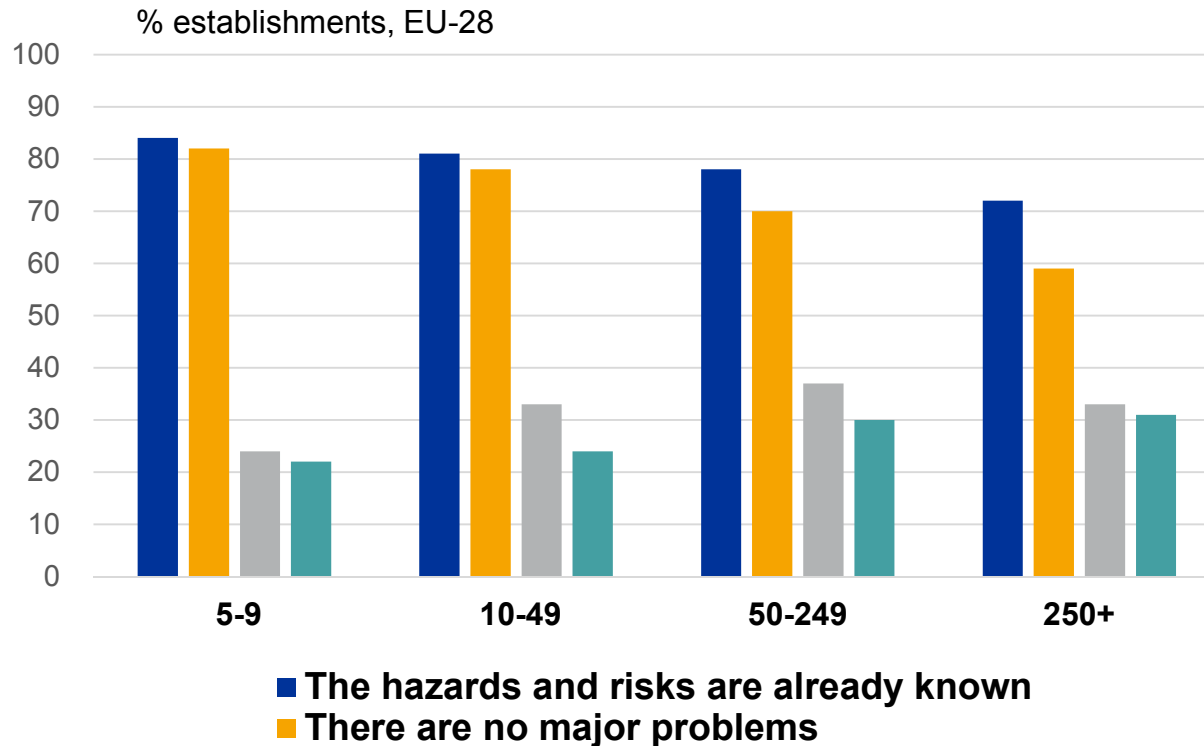
***The research found no examples which are effective in reaching out to the most vulnerable MSE, applying a low-road strategy and generally not covered by any kind of intermediaries.***

# Providing MSE with information

- **One key reason for many MSEs having a reactive approach to OSH is (at least partly) their poor knowledge on OSH and OSH requirements, as shown by the findings from workplace interviews;**
- **Increasing MSEs awareness of OSH is essential to improve OSH in MSEs;**
- **However, even with knowledge, there is no guarantee that the MSEs will act;**
- **Providing information is not an end in itself, but aims to increase awareness, which subsequently may increase motivation for making OSH improvements.**



# ESENER-2: Reasons why workplace risk assessments are not carried out regularly



Base: establishments in the EU-28 that do not carry out risk assessments regularly

# Providing MSE with incentives

## ▪ Support

- ✓ Mainly through provision of free support; less often through direct economic or business incentives;

## ▪ Initiatives

- ✓ Programmes or initiatives with economic incentives can be an effective “carrot”, when they are designed to improve OSH in MSEs;

## ▪ Economic context

- ✓ Economic incentives are burdened by important questions of their long-term economic sustainability
- ✓ Policy makers and intermediaries must decide whether funding is sustained for such programmes.

# Tailoring to needs and work practice of target groups

## ■ Adaptation to the sector or sectoral approach

- ✓ To provide sector-specific solutions;
- ✓ The important point is that the MSEs can easily recognise themselves;
- ✓ Importance of adapting the initiatives to the competencies and resources available, so involving OSH experts, as well as regulatory authorities and people with good knowledge about the sector and their processes;
- ✓ Besides adapting the OSH initiatives to the sector, they can and should be further tailored to the specific work practice in the sector or sub-sector.

# The key success factors that encourage MSEs to make use of tools for the improvement of OSH

- Recommendation by authorities as a way of complying with regulatory demands;
- Supporting a reactive strategy, which is common among MSEs;
- Very simple to use, not needing to read a lot to understand how to use them;
- Adapted to sectors (so relevant and easily understandable);
- Possibilities to adapt the tools to the specific needs of the individual MSEs;
- Easily available and without charge on a website;
- The information submitted is treated with confidentiality;
- Faster and easier than making a RA and deciding on control measures without any support;
- Endorsed by the social partners, insurance companies, and labour inspection;
- Include solutions to OSH problems encountered, not only problem identification;
- Continuously updated and revised based on input from stakeholders and MSEs.

# Conclusions

- **As we will see throughout the day, interactive risk assessment tools are conceived as a specific preventive approach directed at MSEs.**
- **In their specific approach most of the successful mechanisms just mentioned for improving OSH among MSE are mobilised:**
  - ✓ The key role of intermediaries;
  - ✓ Incentives.
- **Coordinated approaches including:**
  - ✓ Information, increasing awareness, training actions (apart from the tools itself);
  - ✓ Many OSH and non OSH actors

# Thank you

## EU-OSHA website

- [Safety and health in micro and small enterprises](#)

## OSHwiki

- [OSH management in small and micro enterprises](#)
- [Occupational risk assessment in micro-enterprises: the assets of digital tools](#)