Outcome and good practices:
– what works for whom in what circumstances

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Regulation, governance and orchestration:
– policy possibilities

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19 June 2018, Hotel Marivaux, Brussels

**A high-level conference organised by the European Agency for Safety and Health at Work (EU-OSHA)**

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Is there a space for health and safety?

Good reasons:

- **Higher risks and less resources for control**
- **Resulting in more accidents and diseases compared to bigger firms**

The good news

- **Owner-managers want to be decent and take care of employees**
- **They listen to peers, customers and employees**
- **They are solution and action oriented**
- **Search for the common discourse on the acceptable work environment**
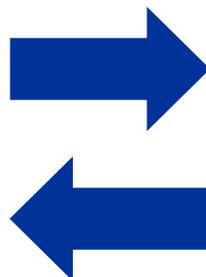
The bad news

- **OSH a minor task among many more important ones**
- **They underestimate risks and overestimate their knowledge and control**
- **They don't like interference with their business**
- **They don't do systematic risk assessment and OSH management**

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Institutional pressure

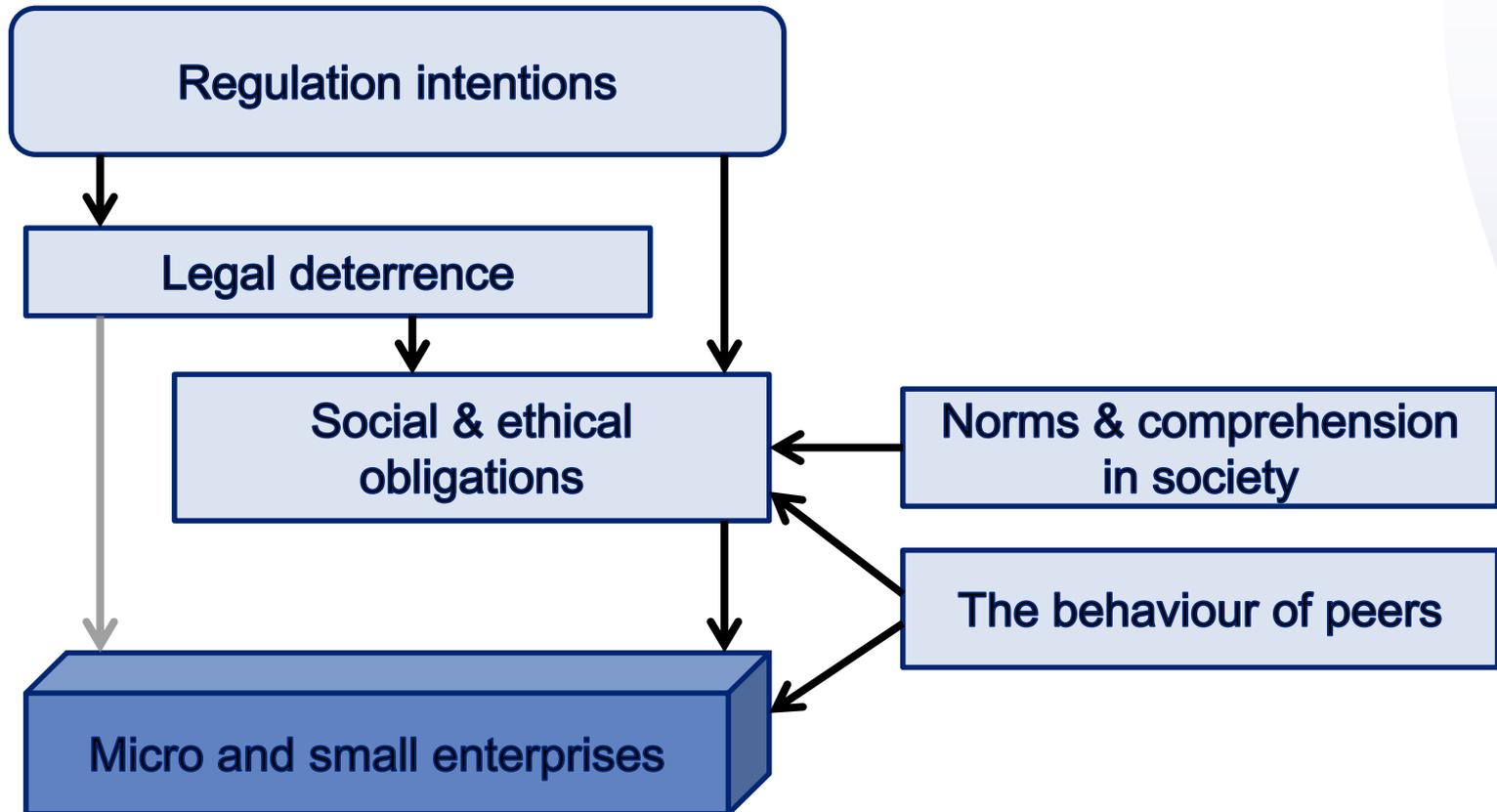**Works through isomorphisms ("we do like others")**

Three types:

- Coercive (state and market)

- Normative (professional beliefs, associations,…)
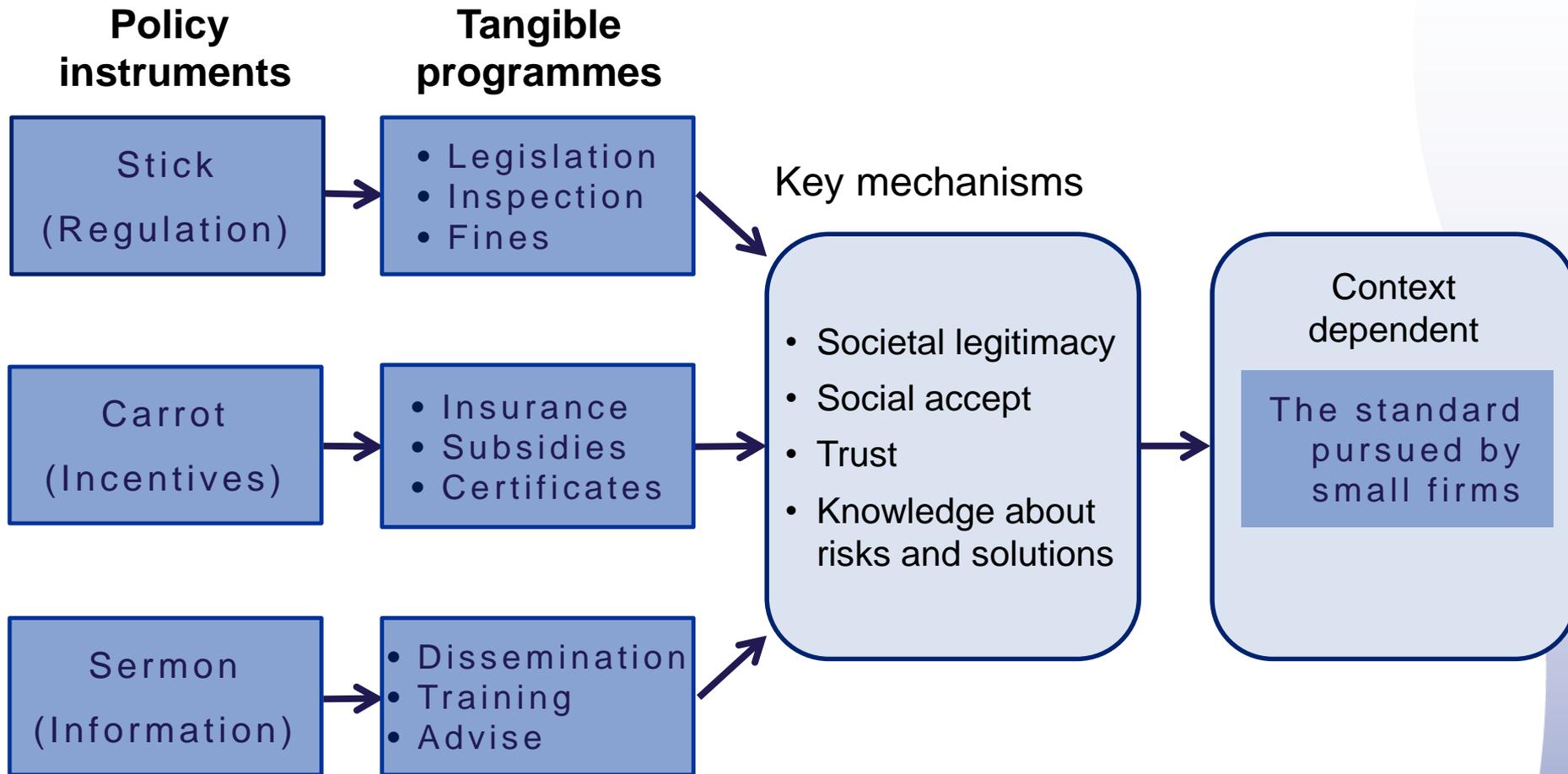
- Mimetic (peers)

MSE are looking for the acceptable level of risk control:

- How much do we have to do in order to be accepted by workers, customers, authorities, peers and the local community

- Need to secure a 'licence to operate'

Regulation and isomorphism

Regulation and governance

Policy instruments

Tangible programmes

Policy instruments	Tangible programmes
Stick (Regulation)	• Legislation • Inspection • Fines
Carrot (Incentives)	• Insurance • Subsidies • Certificates
Sermon (Information)	• Dissemination • Training • Advise

Key mechanisms

- Societal legitimacy
- Social accept
- Trust
- Knowledge about risks and solutions

Context dependent

The standard pursued by small firms

Typology of micro and small enterprises

	Avoiders	Reactors	Learners
OSH	Neglect	React to external pressure	Actively looking for knowledge
Risk	Unavoidable	Unavoidable, but react when made aware	Can be controlled
Responsibility	Mainly with workers	Share with workers	With the employer

Design of policy programmes

Compulsory   Voluntary

Design criteria 1: Tailor to sector and subsector

- **Strongly identify with the craft (carpenter, cleaner, hairdresser)**

- **General advise on risk assessment and control which needs translation to the sector does not work**

- **Integrate in sector structure and culture – examples:**
  - Supply chains in construction and cleaning
  - Safe handling of chain saws in professional training of forestry workers
  - Patient safety in homes for the elderly
  - Fashion and risky dyes in hairdressing

Design criteria 2: Relate to business goals

- **Relate to the owner-manager's drive to be a decent person**

  - What do I have to do in order to secure that I and my business get a good reputation in the local community

  - What do peers say and do about OSH

  - Peer networks (both owner-managers and workers)

- **Integration in other management priorities**

  - Market requirements

  - Supply chain mechanisms

Design criteria 3: 'how to' - not 'how to find out'

- **Risk assessment**

  - Possible in small enterprises – micro firms don't do it

- **Tangible solutions**

  - Demonstration of solutions such as new technology and aids (lifting gear)

  - Recommendation of solutions which work in practice (preferable through visits or peers)

  - Digital solutions may be more helpful with new digital generations

    - E.g. tailored apps (how to carry out an actual piece of work)

Design criteria 4: Low cost

- **Simple, practical and low cost solutions**
  - Dissemination of tangible low cost solutions, e.g. ergonomic cleaning carts
  - Also through peer application proving it is cost-effective

- **Free or low cost support**
  - MSE don't buy services – unless obliged
  - Compulsory funding through insurance
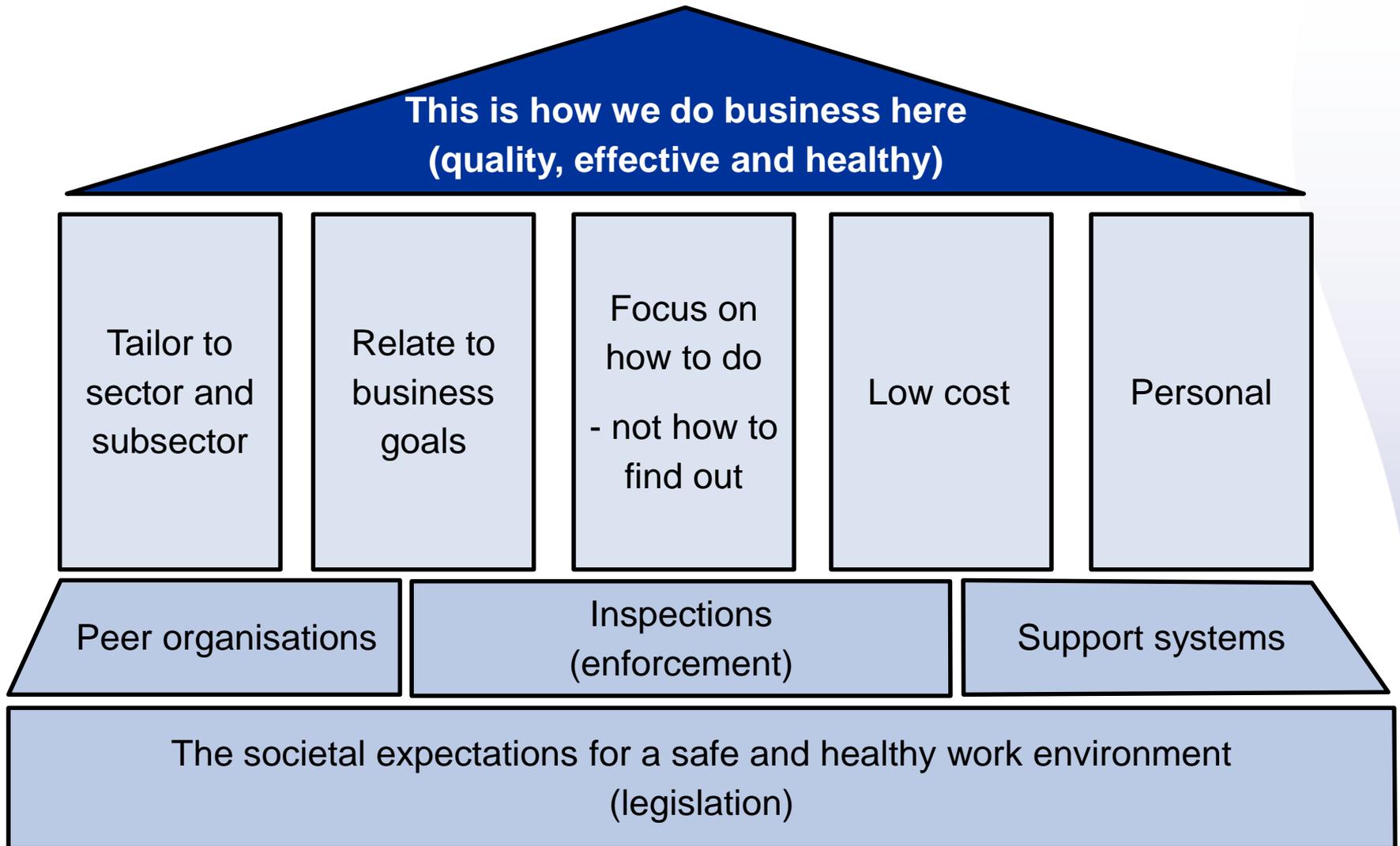
Design criteria 5: Personal

- **Personal outreach and support**

  - Personal inspection and advise which is tangible and respectful

  - Sector advisory systems eg. regional OSH reps in Sweden and shared service in Denmark

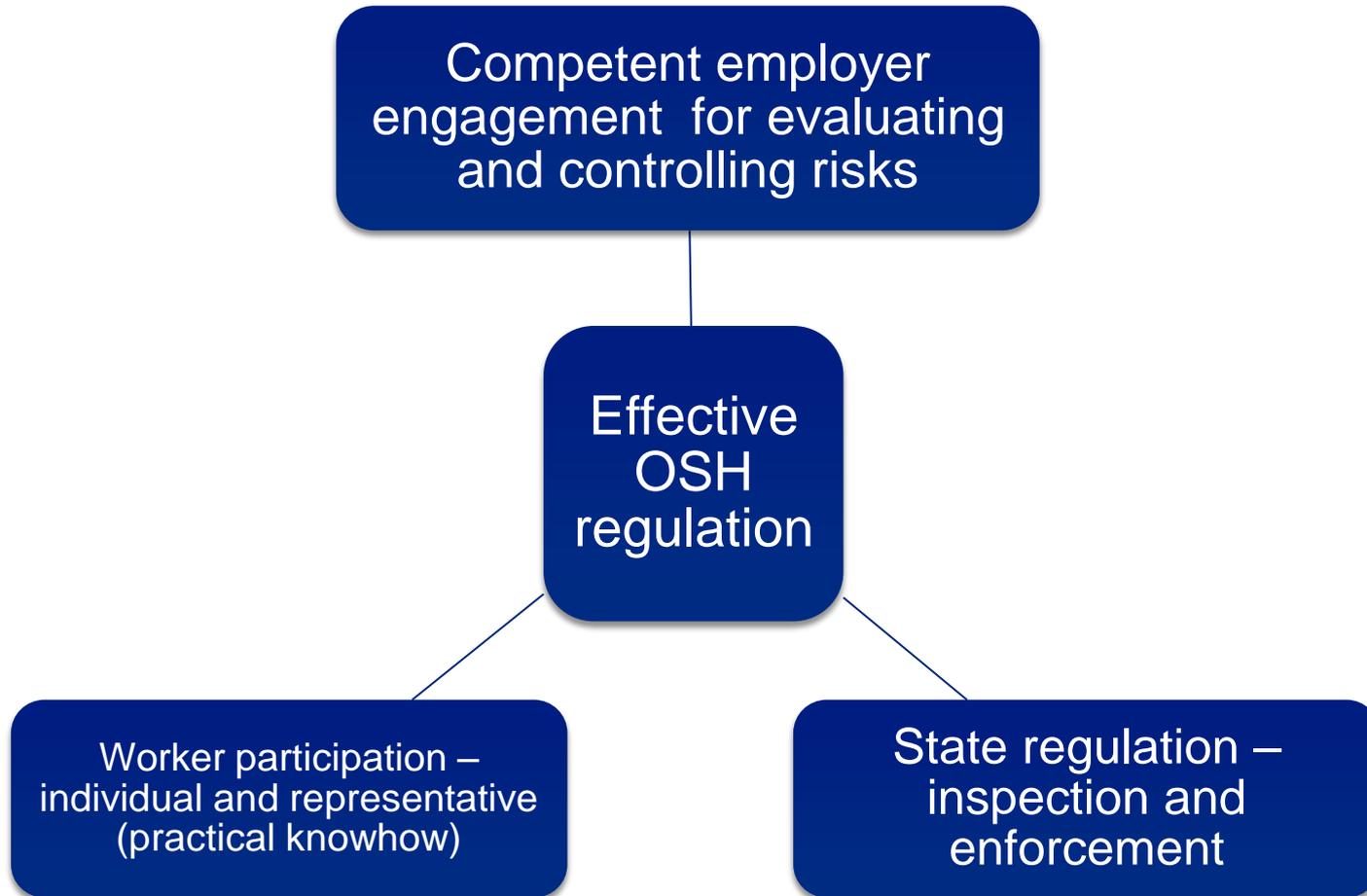 - Trusted persons (peers, networks, voluntary organisations, accountants)

- **Personal indentity**

  - Avoid direct criticism

  - Focus on future possibilities

A policy strategy for OSH improvements in micro and small enterprises

**This is how we do business here
(quality, effective and healthy)**

| Tailor to sector and subsector | Relate to business goals | Focus on how to do - not how to find out | Low cost | Personal |

| Peer organisations | Inspections (enforcement) | Support systems |

The societal expectations for a safe and healthy work environment (legislation)

The three pillars of regulation (FW Dir. 89/391): the prevention triangle

Competent employer engagement for evaluating and controlling risks

Effective OSH regulation

Worker participation – individual and representative (practical knowhow)

State regulation – inspection and enforcement

Regulation and inspection

- **Standards established by regulation, backed by enforcement through inspections, remain key**

- **Owner-managers look out for regulation**
  - in spite of a traditional reservation towards authorities
  - they like to know what to do

- **Regulation is the foundation for the activities of other actors**
  - social partners, peer organisations, advisory services as well as other actors

- **Frequent and personal (although costly), tangible and respectful inspections work best**

- **But many MSEs remain 'hard to reach'**

Innovative regulatory control

- Innovative approaches exist but practiced in few countries, mostly piecemeal, many gaps & little coordinated strategy include
  - Organisational and policy responses
  - Enforcement and compliance practices
  - Efforts to extend the and influence of the regulatory authority
  - Greater efforts to achieve transnational co-operation

- **Some especially relevant to MSEs eg:**
  - supply chain regulation,
  - persons responsible for business undertakings (PCBU),
  - coordination and harmonization approaches,
  - innovative inspection practices

- **Tensions remain between a need for innovation ……and the adoption of practices to offset the effects of reduced resourcing and political demands for reduced/re-orientated regulatory inspection**

Peer organisations (intermediaries)

- **Research on what works best in MSEs has long established the importance of intermediary actors and organisations in securing improved OSH —**

  - Owner-managers look to peers to assess what is both acceptable and doable

  - Employers associations, craft guilds and business chambers have access and trust from small business

  - Unions have access and trust of workers and have a strong regulatory impact through representation (although their presence in MSEs is limited)

  - Advice and recommendations from peers are considered legitimate

  - Network groups and training activities (co)organised by peers are more likely to be considered relevant

- **But a significant challenge whether peer organisations have the necessary funding and interest?**
  - In some countries peer organisations have low membership in MSE and give priority to larger enterprises

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Support systems (intermediaries)

- **Different countries have a wide variety of support systems**

  - But in most countries they only reach a small fraction of small businesses

  - Best reach often associated with secure funding such as from insurance schemes and structures

- **Advisory & occupational health services**

  - Vary from compulsory affiliation to market-based and voluntary

  - Often difficulties in reaching small businesses as too expensive

  - Often substandard quality to fit funding possibilities

- **Support works when it is low cost, tangible, tailored and personal**

State OSH regulators not alone

- **Insurance funded schemes (Germany, France, USA and others)**
  - Reduction in insurance premiums
  - Inspections integrated with advice
  - Health service
  - Preventive advisory services
  - Secure funding

- **Small business & entrepreneur advisory services**

- **Particular sector activities**
  - Food inspection, integrated municipal inspections (UK)

- **Bipartite structures and collective agreements**
  - Regional safety representatives (Sweden, also Italy and elsewhere)
  - Shared advisory services in construction (Denmark)
  - Generally applicable (sectoral/regional) collective agreements.

Overall findings of policy analysis

- **Many examples of what works well**
  - In terms of regulation, enforcement and support
  - Mainly voluntary programmes and tools mainly used by the small group of 'learning MSE'
  - Often pilot programmes terminated due lack of sustainable funding

- **But action is necessary to increase effectiveness and reach — for the hard-to-reach and most vulnerable MSEs**

- **The resources available for what works well in all studied countries are too limited to reach out and make a difference for the great majority of MSE**
  - And most MSEs do not by themselves seek out information and take action on OSH

- **Within these limited resources, efficiency could be improved by development and better co-ordination of strategies but more resources still needed to achieve a widespread impact**

Orchestration (co-ordination and leadership) needs development

- **Who to initiate coordination?**

  - Most often authorities or sector organisations

- **Who to involve?**

  - Authorities, employers associations, business organisations, labour unions, insurance companies, advisory bodies
  - Most often in a sector approach

- **Shared messages and coordinated actions key to influence**

  - Trust, legitimacy and raising of risk-awareness in MSE
  - The opposite results in paralysis of MSE

- **Need to secure stable funding**

  - Move from pilot projects to sustainable policies and support.

Linkages to strategies to address wider current problems associated with the structure, organisation and control of work

- The emergence of so-called 'fissured workplaces' with disintegration of both traditional employment and business relations require new approaches

- Such as:

  - 'Employers' v 'Persons controlling business undertakings'(PCBU)?

  - Regulation of the supply chain

  - Where regulatory responsibility matches economic power and accounts for changes in the importance of the legal nexus around the contract of employment

  - Combined with improved basic rights for vulnerable/precarious workers

- **Questions of course remain:**

  - How to achieve compliance?

  - How to extend collective agreements to effectively cover OSH in MSEs ?

  - Greater role for community based advisory systems?

- **Overarching conclusions therefore acknowledge heterogeneity among MSEs — implying multifaceted solutions — but stress that leadership and properly resourced, coordinated actions are important.**

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