Australian Government
Comcare

Building a case to invest in OHS and organisational health

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A. Overview and introduction

The *Occupational Health and Safety Act 1991* places responsibility on employers to take all practicable steps in the workplace to protect the health and safety of their employees.

This publication outlines the elements of organisational health and the benefits employers can expect to receive from investing in organisational health initiatives. Not only do organisational strategies manage the risks of injury and disease, they also reduce costs, increase productivity, raise staff morale and enhance performance.

Comcare encourages organisations to familiarise themselves with organisational health models. Gaining support from leadership and communicating openly with employees will lead to safer workplaces—an achievable and essential goal for all organisations.

Organisational health

This publication can be used as an organisational health model. The overarching elements of this model mirror those in the Australian Public Service Commission's 2007 publication *Agency Health: Monitoring Agency Health and Improving Performance* and include:

- direction
- leadership
- capability
- governance
- relationships
- culture.

Measure

When building a business case for a more rigorous risk management approach to organisational health, it is important to monitor how the organisation is performing against organisational health indicators. Identifying emerging problems and reporting trends to senior managers will ensure current programs are working to their full potential.

The following lists employee and organisational outcomes for each dimension of the model. These outcome areas help organisations define and measure the current performance and success of organisational health.

Employee outcome
Job satisfaction
Engagement
Physical health
Psychological health

Organisation outcome
Productivity
Positive workplace relations
Good reputation
Capability

Key indicators are used to measure an organisation's success against the outcome areas. They help to identify areas of organisational health that may need attention and form the basis of developing strategies for improvement.

Employee outcome – key indicators
Measures of job satisfaction and job health
Measures of organisational commitment
Workers' compensation claims
Employee Assistance Program usage

Organisation outcome – key indicators
Measures of productivity
Measures of workplace conflict
Measures of client satisfaction
Measures of turnover
Measures of absenteeism

Plan and implement

Once the indicators of organisational health data is collected, it is important to systematically assess the information they provide in the context of the organisation's values, goals and objectives. Workplace factors and locations that significantly impact on organisational health would receive priority attention when designing and implementing interventions.

It may be necessary to use a range of strategies to improve OHS and organisational health outcomes. Critical success factors of any intervention will be program design and implementation. Organisations using targeted strategies tend to show greater overall improvement in organisational performance and people outcomes.[1]

Effective organisational approaches need a combination of primary, secondary and tertiary level interventions. Primary intervention measures are undertaken by employers to address hazards in the workplace through hazard identification, risk assessment and risk control. The interventions and resources in place at the primary level contribute to the development and maintenance of a workplace culture that supports employee welfare and safety. Secondary level interventions aim to reduce the severity of consequences of exposure to hazards and harm, including responding to early indicators such as illness symptoms, incident reports or absenteeism. The tertiary level interventions deal with the consequence of injury, through effective rehabilitation.

It is important to integrate organisational health strategies with broader business needs and the corporate goals of an organisation. Organisations should use existing business case processes. A business case template is provided at appendix B.

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1   Cotton 2005

Monitor and review

It is important to evaluate the effectiveness of implemented interventions. The use of key indicators will allow for robust evaluation to determine whether the objectives of the intervention were met.

B. Elements of organisational health

Organisational direction

- Awareness of, and focus on, core business throughout the organisation.

- Organisational structure supports organisational direction.

- Investment in research and strategic policy capacity.

- Appropriate balance between innovation and risk aversion.

- Organisation monitors and responds to changes in the external environment.

- Organisational purpose and strategies reviewed regularly.

- Organisation achieves improvements in quality and efficiency through innovation and continual improvement.

Effective leadership

- An emphasis on senior executive leadership capability.

- Leaders display a visible commitment to the values they espouse.

- Leaders understand their roles.

- Leaders pay appropriate attention to all aspects of an agency's operations.

- Strong and effective links between middle and senior managers.

- Leaders effectively manage poor performance.

- Leaders and managers are open to alternative or dissenting views.

- A strong framework of support to build good judgement and confidence in making decisions.

- Leaders look beyond immediate priorities and engage in forward planning.

Organisational capability

- A focus on all aspects of organisational capability, including people, processes, culture, structures, and assets.

- High relative intellectual capital (based on length and breadth of experience and qualifications of employees) and focus on assessing trends in intellectual capital.

- A balanced age profile or workforce planning strategies in place to deal with the impact of an ageing workforce.

- Levels of staff turnover are neither too high nor too low.

- Significant investment in formal and informal training and development and high participation in training opportunities.

- Capability strategies are integrated with performance management and reward and recognition frameworks.

- Effective recruitment and induction processes.

- Effective knowledge management and organisational systems, such as program management, financial and human resource systems, and information, communication and technology, which are aligned to corporate outcomes and priorities.

- A focus on project management and implementation.

Effective corporate governance processes

- Clear accountabilities and responsibilities.

- Resources are aligned with outcomes.

- An emphasis on effective risk management rather than rigid process monitoring, with key risks identified, articulated and remedied.

- Governance arrangements reviewed regularly.

- Committee systems operate in a timely and efficient manner and with a clear sense of purpose.

- Committee membership is considered carefully.

- Appropriate assessment of delegations and decision making levels.

- A focus on evaluation, including benchmarking performance against the wider environment and the use of staff and stakeholder surveys.

- Full cooperation with external scrutiny.

- Effective management information systems.

Relationships

- Professionalism, including showing respect for others.

- An emphasis on building effective workplace relationships.

- High levels of client focus.

- Employees exercising regulatory power understand the basis of that power and act in accordance with the regulatory framework.

- Ethical and effective relationships with stakeholders (measured through stakeholder consultation and surveys).

- Consultants appreciate business requirements and understand the impact of what they deliver and its timeliness.

- Favourable public perceptions of integrity.

- An internal culture of respect.

- High levels of staff morale and job satisfaction (measured through staff consultation and surveys).

Effective agency culture

- Promotion of a culture of continuous improvement, trust and empowerment of staff.

- Focus on early identification of signs of cultural problems such as a lack of information sharing, poor relationships and improper behaviour.

- High levels of collegiality and confidence among the leadership group.

- Strong support for employees.

- Effective work-life balance.

- Support for diversity within the workplace.

- An understanding of differences in internal organisational culture, and an emphasis on whole-of-organisation identity and approaches.

- An emphasis on collaboration and engagement with other agencies and relevant stakeholders.

This information has been adapted from the Australian Public Service Commission's publication *Agency Health – Monitoring Agency Health and Improving Performance.*

C. Steps in developing organisational health programs

Successful and sustainable interventions require structured:

1. measures
2. planning
3. implementation
4. monitoring and review.

1. Measure

An important preparatory step when building a business case for a more rigorous risk management approach is to consider the available information about outcome indicators. It is essential to regularly monitor performance against indicators of organisational health and provide senior managers with briefings on trends. This enables organisations to identify emerging problems and assess the need for further analysis and intervention.

A simple self assessment tool (see appendix A) can be used to conduct an organisational health check, which can quickly identify organisational outcomes which may require attention. The following measures allow for a more in depth analysis of the results of the organisational health self assessment tool.

Job satisfaction and job health

Facts

Employees with higher levels of job satisfaction tend to have higher levels of job performance.[2]

Organisations with more satisfied employees perform better than organisations whose employees are less satisfied.[3]

Employees who have high levels of job satisfaction are less likely to leave the organisation than those with low levels.[4]

Job satisfaction is an important factor influencing the health of workers.[5]

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2   Riketta 2008

3   Brief 1998

4   Mowday, Porter & Steers 1982

5   Faragher, Cass & Cooper 2005

Job satisfaction

Job satisfaction describes how content an individual is with his or her job. The happier people are with their job, the more satisfied they are. Job satisfaction is not the same as motivation, although it is clearly linked.

Common factors that effect job satisfaction are autonomy, pay and benefits, pride, working conditions and growth.[6]

Measuring job satisfaction—employee opinion surveys

Employee opinion surveys are a useful way of determining an organisation's overall job satisfaction and have great potential to improve workplace and people outcomes. They can be used to:

- identify emerging 'hot spots'

- reduce adverse reactions associated with organisational change processes

- improve the management of absenteeism

- prevent harassment, bullying and workers' compensation claims

- accurately identify work environment psychosocial risk factors (e.g. Carr, Schmidt, Ford & DeShon, 2003; Cotton and Hart, 2003).

The Comcare publication *Using employee opinion surveys to improve people outcomes* can be found on the Comcare website at **www.comcare.gov.au > Forms & publications > Publications > Safety and Prevention**.

Job health

The psychological effects of stress are most often emphasised. However, it is important to appreciate its other consequences. In addition to mental ill-health, increased anxiety, depression, irritability, poor concentration and disturbed sleep, stress can lead to lower productivity, an increased risk of accidents and disrupted relationships at work and home.

Stress has also been implicated in the development or aggravation of a number of physical conditions, such as coronary artery disease, certain types of cancer, gastro-intestinal disorders, skin rashes, migraine and asthma. The impact of chronic stress on the immune system and chronic pain has been recognised, as have the links between psychosocial factors and musculoskeletal disorders, such as occupational overuse syndrome.

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6   Turner 2004

Measuring job health

Job health can be assessed by:

- an employee stress risk assessment

- employee focus groups

- analysis of sickness absence data.

The Health and Safety Executive's (HSE) simple risk assessment methodology stress indictor tool is one way to measure job health. The HSE have developed the tool as part of their management standards.[7] Stress indicator analysis tools aim to provide businesses with a process, information and toolset to facilitate their management of work related stress.[8] The intent is to move away from identifying stress, towards recognising the importance of good management practices and implementing them.

Organisational commitment

Facts

Employees with high levels of commitment and discretionary effort perform at a 20 per cent higher level than employees with low commitment and discretionary effort.[9]

Every 10 per cent improvement in commitment can increase an employee's effort level by six per cent, which then can increase performance by two per cent.[10]

Highly committed employees are 87 per cent less likely to leave their organisation than those with low commitments.[11]

It is comprised of affective commitment (emotional attachment), continuance commitment (the economic cost to leave) and normative commitment (feelings of obligation and duty).[12]

The committed employee is absent less often and is less likely than less committed employees to leave the organisation voluntarily.[13]

Higher organisational commitment leads to higher loyalty, reduced work stress and a lower intention to leave.

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7   HSE Management Standards Indicator tool

8   Gaskell, L. Hickling, N. & Stephens, P. 2007

9   West 2008

10 West 2008

11 Corporate Leadership Council Employee Engagement Survey Findings 2004

12 Dockel, Basson & Coetzee, M. 2006

13 Muthuveloo 2005

Organisational commitment is defined as an employee's acceptance, involvement and dedication to achieve the organisation's goals.[14] Organisational commitment is also the relative strength of an individual's identification with and involvement in a particular organisation.[15]

Organisational commitment questionnaire

The following is an example of an organisation commitment questionnaire.

Indicate your agreement or disagreement on a scale of 1 – 7, where (1) Strongly disagree; (2) Moderately disagree; (3) Slightly disagree; (4) Neither disagree nor agree; (5) Slightly agree; (6) Moderately agree; (7) Strongly agree.

1. *I am willing to put in a great deal of effort in order to help this organisation be successful.*

2. *I tell friends that this organisation is a great place to work.*

3. *I feel a strong loyalty to this organisation.*

4. *I find that my values and the organisation's values are very similar.*

5. *I am proud to tell others that I am part of this organisation.*

6. *I am not planning to leave this organisation in the short to medium term.*

7. *I care about the fate of this organisation.*

8. *Deciding to work for this organisation was a good decision on my part.[16]*

Claims for workers' compensation

Facts

Workers' compensation data is an outcome indicator of organisational health that may lag well behind earlier signs.

Workers' compensation data is quantitative and can provide a clear indication of the direct costs of workplace injury and disease.

Trend data over a number of years is usually available and gives a good indication of how the organisation is tracking for incidence and costs of claims.

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14 Muthuveloo 2005

15 Mowday, Steers & Porter 1979

16 Mowday, Steers & Porter 1979

Analysing the data

Data should be considered in the context of other indicators. An organisation may have no claims for workers' compensation for psychological injury, but could face a range of issues if, for example, other indicators such as absenteeism, turnover conflict and perceptions of leadership support are deteriorating.

Premium paying organisations under the Comcare scheme have access to an online database of injury management and claims information provided through a secure online Customer Information System and a dedicated helpdesk. More information is available from **agency.updates@comcare.gov.au**

Some useful ways of analysing workers' compensation data is by:

- mechanism of injury
- nature of injury
- lost time injuries
- rehabilitation and return to work data.

Looking at mechanism of incident (the cause), the chart below shows the percentage of accepted claims and total cost by the mechanism of incident in the 2006-07 financial year. Body stressing (manual handling activities including repetitive movement with low muscle loading) is the most prevalent, accounting for 40 per cent of all claims and 39 per cent of the total cost. In comparison, mental stress claims accounted for just eight per cent of all claims, but nearly 27 per cent of total claim costs.

Mechanism of incident	2005–06		2006–07	
	% of total claims	% of total cost	% of total claims	% of total cost
Body stressing	41.6	40.5	40.3	39.4
Falls, trips and slips of a person	20.8	13.1	22.5	16.3
Other and unspecified mechanisms of incident	15.2	8.2	13.9	10.1
Mental stress	7.8	31.1	8.2	26.6
Being hit by moving objects	7.2	4.1	7.7	4.4
Hitting objects with a part of the body	4.7	1.7	4.7	2.0
Chemicals and other substances	1.6	1.0	1.5	0.5
Sound and pressure	1.2	0.3	1.1	0.7

Summary claims statistics and performance against jurisdictional targets are available at **www.comcare.gov.au > Customer information system**.

Employee Assistance Program (EAP)

Facts

Personal difficulties, such as work-related stress, financial, alcohol/drug, marital or family problems can affect anyone. Sometimes problems can impair an employee's performance at work, leading to lower productivity, strained relations with co-workers and frequent absences or accidents.

EAP is a short-term results-oriented therapy program focusing on clarifying the problem, implementing solutions and monitoring progress.

An EAP is an early intervention tool that aims to identify and/or resolve work and personal problems that may adversely affect performance and job satisfaction.

Interpreting reports

When an EAP is in place, organisations receive reports about how the service is being used. Reports provide valuable information for organisations to assess the rate and type of use, as well as highlight and monitor hot spots, issues and trends.

Increased use of the EAP may indicate the success of awareness-raising within the organisation about early intervention services available to employees. Increased usage may also be indicative of organisational health problems. Analysis of EAP service reports need to be considered in the context of other health indicators and the organisational environment during the reporting period.

Some useful questions

- Who is using the service? (For example APS 1-2, 5-6 or managers.)
- Which areas of the organisation are accessing the service? (For example state-based or regions.)
- Are there business line (branch or division) trends?
- What is the leave status at the time of consultation? (For example at work, personal/carers, leave without pay or annual leave.)
- What is the proportion of use between females and males?
- Are there trends according to age groups?
- How do the percentage of work-related primary issues compare to personal issues?
- Of the work related issues, what are the trends? (For example interpersonal conflict, perceived bullying or career direction.)
- Are there critical workplace incidents? What is the frequency? Is follow up action required?
- Overall usage rates? (Average usage is between 5-7 per cent of an organisation.)
- What is the trend over time for the organisation?

Productivity

Facts

Over the last decade average labour productivity has increased by 1.8 per cent per annum in the Australian economy and by 2.2 per cent per annum in the market sector.[17]

The employee engagement factors identified as the key drivers of productivity are:

- senior leaders
- agency culture
- immediate manager
- work group
- current job
- governance
- merit
- diversity
- career and development opportunities
- learning and development
- work-life balance
- understanding current role.[18]

The biggest contributors to overall productivity loss caused by presenteeism are depression (19 per cent), allergies (19 per cent), hypertension (14 per cent) and diabetes (nine per cent).[19]

Improving employee satisfaction is likely to:

- have a positive impact on employees' perceptions of their own levels of productivity
- increase the likelihood they feel they are working to their full potential.[20]

Illness can impact on all aspects of a person's life including their work. There is a substantial amount of research to support the link between health and labour force participation. While it is clear, and unsurprising, that those suffering poor health are less likely to be participating in the labour force, the relationship between employment and health can work both ways. Employment, unemployment, and being outside the labour force can all impact on health. Certain types of work can be detrimental to health (especially over time) or alternatively employment can have positive impacts on health, by increasing people's general level of activity and sense of wellbeing. The negative health impacts of unemployment, retrenchment and being out of the labour force are well documented.[21]

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17 Australian Public Service Commission 2006-2007

18 Australian Public Service Commission 2006-2007

19 West 2008

20 Australian Public Service Commission 2006-2007

21 AMP/NATSEM Income and Wealth Report. Issue 23 July 2009. NATSEM University of Canberra.
    www.amp.com.au/ampnatsemreports

Presenteeism

Presenteeism is the loss of productivity that occurs when employees come to work, but are not fully functioning because of illness or injury.

Direct and indirect costs are summarised below.

- The cost of presenteeism is nearly four times the cost of absenteeism.

- On average, six working days of productivity are lost for each employee annually as a result of presenteeism.

- On average, staff who attend work while suffering from a health condition report their productivity diminishes by 45 per cent.

- Underperformance is also associated with a low or decreasing incidence of discretionary behaviours such as supporting colleagues and knowledge sharing.[22 and 23]

Measuring presenteeism

You can measure presenteeism using:

- staff surveys

- performance appraisal

- assessments of underperformance.

Measuring productivity

Productivity reporting measures include:

- business targets

- production rates

- work output rates.

Productivity measurement tools

The *Workplace productivity snapshot tool* is designed to help assess how productive your workplace is.[24]

The *Work productivity and activity impairment questionnaire* is a patient reported quantitative assessment. It measures the amount of absenteeism and presenteeism and daily activity impairment attributable to general health.[25]

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22   Medibank Private 2007

23   Cost calculator

24   State Services Productivity Toolkit

25   Reilly, Zbrozek & Dukes 1993

Workplace conflict

Facts

Unresolved conflict represents the largest reducible cost in many businesses, yet it remains largely unrecognised.[26]

Chronic unresolved conflict acts as a decisive factor in at least 50 per cent of departures of employees from organisations and could be up to 90 per cent of involuntary departures.[27]

Good employee and supervisor relations have a positive impact on employee wellbeing.[28]

Costs of workplace conflict

Direct and indirect costs include:

- lower job satisfaction, higher intention to leave, lower employee wellbeing
- lower levels of performance and lower productivity
- higher levels of absenteeism and presenteeism and associated costs
- higher levels of stress related injuries, both physical and psychological.

Measuring relationship/workplace conflict

Measures may include:

- incidences of grievances and complaints
- staff surveys
- performance appraisal
- 360 degree feedback
- exit interviews.[29]

26 West 2008

27 West 2008

28 Dana, D. 1999; Slaikev, K. & Hasson, R. 1998; Sparr & Sonnentag 2008

29 CLE Conflict Calculator

Client satisfaction

Facts

Client satisfaction is essentially a series of client experiences, their encounters with products, services and employees.

Success is stimulated by client satisfaction and loyalty.

Employees create and deliver value.

Customers are more likely to be satisfied when employees are satisfied with the organisation too.[30]

Defining client satisfaction

Clients are satisfied when they see value in what the organisation provides them. Client satisfaction is supported by the organisation having the following six internal quality components in place:

- tools (information and information delivery systems)
- policies and procedures
- teamwork
- management support
- goal alignment
- training.

Costs of reduced client satisfaction

Direct and indirect costs include a:

- high number of complaints and/or adverse comments
- loss of productivity
- loss of employee satisfaction
- loss of reputation
- loss of business.

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30 Hallowell, Schlesinger & Zornitsky 1996; Heskett, Sasser & Schlesinger 2003; Meyer & Schwager 2007

Measuring client satisfaction

'Customer capital' is the value of an organisation's relationships with the people with whom it does business with including its suppliers and stakeholders.[31]

Balanced score card approach measures – the client perspective key performance indicators include:

- delivery performance to client – by date
- delivery performance to client – by quality
- client satisfaction ratings
- client loyalty ratings
- client retention statistics.[32]

31 Cascio 2000

32 Kaplan & Norton 1996

Turnover

Facts

Replacing employees is expensive:

- Average cost = 75 to 150 per cent of the employee's annual salary.
- This is usually less for junior or unskilled employees e.g. 30 per cent.
- This is usually more for senior, highly skilled employees e.g. 250 per cent.[33]

Costs of turnover

Direct and indirect costs include:

- separation costs
  - separation pay
  - administration time
  - exit interview time
- replacement costs
  - advertising
  - interview, testing and other selection and assessment costs
  - pre-employment administration
  - travel or moving expenses
  - post-employment acquisition and dissemination of information
- training costs
  - formal training
  - on-the-job training.[34]

Examine turnover

Regular monitoring of staff turnover can show you why it is happening and help you control and forecast it. Measure your current staff turnover in percentage terms by conducting:

- staff surveys, focus groups or other consultation
- exit interviews.[35]

Measuring turnover

$$\text{Turnover rate} = \left(\frac{\text{Number of turnover incidents}}{\text{Average workforce size x 100}} \right)$$

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33 workplace.gov.au

34 Cascio 2000; Cost calculator

35 Business Victoria

Absenteeism

Facts

Unscheduled absences can be costly.

Reducing workplace absence is one of the most effective ways to improve productivity.[36]

In Australia in 2006, the loss of productivity due to absenteeism was estimated at $18 billion.

Managers can have a direct impact on reducing levels of workplace absence and increasing productivity by creating positive working environments and adopting good management practices.

Average cost = daily salary + 30 per cent.

Australian estimates suggest that up to 75 per cent of absenteeism is stress related.[37]

Absenteeism refers to absence from work in recognition of circumstances that can generally arise irregularly or unexpectedly making it difficult to plan, approve or budget for in advance. Absenteeism includes planned medical procedures.[38]

Factors that can drive high levels of absence

- Employment insecurity
- Monotonous and repetitive work
- A lack of autonomy and job control
- Imbalances between effort and reward
- Procedural justice in the workplace.[39]

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36 Australian Public Service Commission 2006-2007

37 workplace.gov.au

38 Australian Public Service Commission 2006

39 Ministerial task force on health, safety and productivity – Australian Public Service Commission 2006

Costs of absenteeism

Direct and indirect costs include:

- salary costs for absent employee
- cost of supervisor hours lost due to absence
- temporary staff — replacement costs and training time
- production losses
- quality problems
- overtime for replacement of absenteeism
- costs of human resources sections dealing with absenteeism.[40]

Measuring absenteeism

The Australian Public Service Commission's two better practice guides on managing absence include:

- *Defining workplace absence*
- *Measuring levels of absenteeism*

$$\text{Absenteeism rate} = \left(\frac{\text{Number of absence days in period}}{\text{Total number of available workdays* x 100}} \right)$$

*Total number of available workdays = average number of employees in workforce x number of available workdays in period.[41]

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40 Cascio 2000

41 workplace.gov.au

2. Plan

The following elements have been developed by the National Institute for Occupational Health and Safety *WorkLife Initiative*.[42] They include guiding principles and practical direction and are useful for organisations who want to develop effective programs to improve and sustain organisational health.

Commitment to work health and safety is critical. A human-centred culture in the workplace and leadership support are the key foundations to the development of successful organisational health programs. Leaders need to acknowledge and communicate the link between workplace health and safety and the organisation's products, services and values.

Effective programs thrive in organisations with policies and programs that promote respect and encourage active worker participation, input and involvement.

It is important to systematically assess risk areas in order to prioritise areas or issues for action. It is useful to analyse data gathered from the key indicators at this stage. This analysis will enable the hazards identified to be assessed by focusing on key causal factors and work locations.

Effective organisational approaches need a combination of primary, secondary and tertiary level interventions.

- Primary intervention measures are undertaken by employers to address hazards in the workplace through risk identification, assessment and control.

- Secondary intervention measures aim to reduce the severity of consequences of hazards and harm. They include responding to early indicators such as near misses, incident reports or absenteeism. Secondary measures also provide a 'safety net' to catch people who are showing early warning signs of illness or injury. Early intervention and support can then be provided before symptoms develop into injury or illness.

- Tertiary interventions deal with the consequences of injury, in particular effective return to work strategies.

State clear program objectives

It is important that program objectives are clarified and confirmed before developing a set of performance indicators. They should be agreed upon as part of the planning.

Program objectives should be future oriented and describe the outcomes expected. The objectives should provide the rationale for why the program is being implemented.

Establish clear principles

Effective programs have clear principles to focus priorities, guide program design and direct resources.

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42 Centres for Disease Control and Prevention

Integrate relevant systems

When a program is designed, an initial inventory and evaluation of existing programs and policies relevant to health and wellbeing should be identified. In addition, potential connections between programs and policies should be identified.

In general, better integrated systems perform more effectively. Programs should reflect a comprehensive view of behavioural health, mental health and physical health. It is beneficial to integrate separately managed programs into a comprehensive health-focused system and coordinate them with an overall health and safety management system. Integration of diverse data systems is also important.

Eliminate recognised occupational hazards

Eliminating recognised hazards in the workplace is essential. Changes in the work environment, such as reducing toxic exposures and improving work station design and flexibility, benefit all workers.

Be consistent

Workers' willingness to engage in worksite health-directed programs may depend on perceptions of whether a healthy work environment is truly supported. Individual interventions can be linked to specific work experience. Change the physical and organisational work environment to align with health goals.

Promote employee participation

Ensure that employees are not just recipients of services but are actively engaged in identifying relevant health and safety issues and contributing to program design and implementation.

Barriers are often best overcome by involving employees in creating solutions. Participation in the development, implementation and evaluation of programs is an effective strategy for changing culture, behaviour and systems.

Tailor programs to the specific workplace and the diverse needs of employees

Workplaces vary in size, sector, product, design, location, health and safety experience and resources. Employee characteristics such as age, training, physical and mental abilities, resiliency, education, cultural background and health practices also vary.

Successful programs recognise this diversity and are designed to meet the needs of both individuals and the organisation. Effective programs are responsive and attractive to a diverse workforce. One size does not fit all – flexibility is necessary.

Consider incentives and rewards

Financial rewards, time off, recognition for individual program participation and other incentives and rewards can encourage engagement. There is however, a risk that poorly designed incentives may create a sense of 'winners' and 'losers' and have unintended adverse consequences. Service providers' contracts should have incentives and rewards aligned with accomplishment of program objectives.

Find and use the right tools

Measure risk from the work environment and baseline health to track progress. A Health Risk Appraisal instrument assesses both individual and work-environment health risk factors. It can help establish baseline workforce health information and direct environmental and individual interventions. It can also measure progress over time. Optimal assessment of a program's effectiveness is achieved through the use of relevant, validated measurement instruments.

Adjust the program as needed

Successful programs reflect an understanding that the interrelationships between work and health are complex. New workplace programs and policies may modify complex systems. Uncertainty is inevitable – consequences of change may be unforeseen. Interventions in one part of a complex system are likely to have predictable and unpredictable effects elsewhere. Programs must be evaluated to detect unanticipated effects and adjusted based on analysis of experience.

Make sure the program lasts

Design programs with a long-term outlook to assure sustainability. Short-term approaches have short-term value. Programs aligned with the core product and values of the organisation endure. There should be sufficient flexibility to ensure responsiveness to changing workforce and market conditions.

Ensure confidentiality

Be sure that the program meets regulatory requirements, for example information on privacy law, and this is clearly communicated to employees. If workers believe their information is not kept confidential, the program is less likely to succeed.

Managers at all levels should be involved in promoting health-supportive programs. They are the direct link between the workers and upper management and their involvement determines if a program succeeds or fails. Managers are the key to integrating, motivating and communicating with employees.

Business case

Management may be committed to organisational health but their understanding of issues relating to organisational health may be limited. Providing information and training to managers on these issues is the first step in gaining their commitment and support. Preparing a business case for intervention is also crucial.

A business case enables OHS benefits to integrate with the broader benefits to the organisation. This publication provides facts and information on relevant measures and a business case template is available at appendix B.

Comprehensive planning and program development provides the basis for a strong business case to be prepared. A well structured and evidence based business case will succinctly outline the purpose of the intervention and the positive impact it will have on improving organisation and employee health.

3. Implement

Be willing to start small and scale up

Although overall program design should be comprehensive, starting with modest targets is beneficial if they are recognised as first steps in a broader program. For example, target reduction in injury rates or absence. Consider a phased implementation of these elements if adoption at one time is not feasible. Use and evaluate pilot projects before scaling up and be willing to abandon projects that fail.

Provide adequate resources

Identify and engage appropriately trained and motivated staff. If you use vendors, ensure they are qualified. Take advantage of credible local and national resources from voluntary and government agencies. Allocate sufficient resources, including staff, space and time to achieve results. Direct and focus resources strategically, reflecting the principles embodied in program design and implementation.

Communicate strategically

Effective communication is essential for success. Everyone (workers, their families, supervisors etc.) with a stake in worker health should know what you are doing and why.

The messages and means of delivery should be tailored and targeted to the group or individual and consistently reflect the values and direction of the programs. Communicate early and often, but also have a long-term communication strategy. Provide periodic updates to the organisational leadership and workforce. Maintain program visibility at the highest level of the organisation through data-driven reports that allow for links to program resource allocation.

Build accountability

It is important to build accountability into program implementation. Accountability reflects leadership's commitment to improved programs and outcomes and should cascade down an organisation starting at the highest levels.

4. Monitor and review

Reviewing the planning and implementation phases of workplace interventions is useful to determine the effectiveness of the program in meetings its objectives.

It is important that organisations consider how the plan will be evaluated. There are a number of tools and approaches available.

- Set targets and performance indicators which indicate progress towards meeting objective(s). Targets indicate a goal an organisation needs to achieve to realise program objectives. Targets should also have deadlines. Performance indicators provide a measure of progress towards meeting objectives and targets.

- Report regularly to senior management or to a program reference group. This provides accountability and confidence in the implementation of the program. It also helps to identify and address barriers to implementation or refine the approach as needed.

- Use review findings to inform refinements and improvement to the program or future organisational health initiatives.

Setting targets is a key strategy for engaging the interest of leadership to improve organisational health. Targets influence forward planning and development of practical measures to generate better outcomes in organisational health. Targets promote accountability among senior management which leads to improved outcomes.

Appendix A

Organisational health self assessment tool

1. Self assessment

Key outcomes	Each of these questions can be answered at the team, workplace or broader organisational level. For each question, select the appropriate response box ('Yes', 'No' or 'Not Sure/Don't Know').	Yes	No	Not sure / don't know
Job satisfaction	1. Are employees in the workplace reporting low to moderate levels of job satisfaction?			
Commitment	2. Are there many employees with low levels of enthusiasm, commitment or pride in your workplace?			
Physical health	3. Are there unacceptable levels of accidents and injuries in the workplace or has there been increase in reported rates?			
Psychological health	4. Do you have high or increasing numbers of stress incidents reported in the workplace?			
Physical/ psychological health	5. Is there moderate – high usage of the Employee Assistance Program and staff support services in the workplace?			
Productivity	6. Is employee performance an issue in your workplace (underperformance, negative behaviours etc.)?			
	7. Is your workplace struggling to meet work targets or experiencing a decline/depression in productivity?			
Reputation	8. Are you concerned about feedback received from clients and/or customers?			
Workplace relations	9. Is the incidence of conflict (between individuals, teams etc.) an issue for your workplace?			
Capability	10. Is turnover an issue for your workplace or are you having difficulty retaining key staff?			
	11. Are you concerned about the levels of absenteeism in your workplace (sick leave, unplanned leave etc.)?			
	Total ticks			

2. Results

Total number of *Yes* ticks

0	Vibrant	Congratulations. Your organisation or workplace appears to be operating at peak performance. Continue to monitor and assess these measures to maintain your organisational health.
1-2	Healthy	Well done. Your organisation or workplace appears to be operating at near peak performance. Continue to monitor and assess these measures to maintain your organisational health. It is recommended that you investigate any questions you answered 'No' or 'Not Sure/Don't Know' to determine if any action is required.
3-5	Of some concern	Depending on the combination of questions you answered 'yes' to, your organisation or workplace might be at risk of underperforming. Further investigation and assessment is recommended.
6-7	Of concern	It is likely that your organisation or workplace is not performing to its optimum – attention and intervention is recommended.
8 or more	Of major concern	It is very likely that your workplace or organisation's performance is being adversely affected – urgent attention and intervention is recommended.

Not sure/don't know?

One or more: it is recommended that you investigate further. Each of these questions refers to factors that are key indicators of organisational health. Without having a mechanism to measure, assess and monitor each of these factors, your organisational performance might be adversely affected.

Appendix B

Business case template

Purpose

Briefly describe the main purpose and central proposition(s) for the business case.

Background/business need

Include information about:

- the background to the issue(s)
- what is known about it.

Consider including:

- a clear definition or statement of the issue(s)
- factual (statistical, financial) information about the prevalence, incidence or severity of the issue(s)
- information that illustrates the significance of the issue
- any legal imperatives or considerations.

Rationale for the intervention/initiative

Include information about:

- relevant research or related initiatives
- how the issue(s) can be dealt with
- why the intervention or initiative will be effective.

Proposal

Outline the specific proposal and include information about:

- key deliverables
- timelines
- cost and resource implications (include direct and indirect costs where relevant)
- risks of not proceeding
- an outline of an evaluation strategy for the intervention/initiative (if applicable).

Strategic and/or policy implications

Place the intervention or initiative into a strategic policy context by making links between the proposed actions and the broader organisational framework.

Consider linking to the organisation's:

- mission

- vision

- values

- strategic themes

- strategic priorities

- future business plans

- new or existing policy proposals

- business charter.

Recommendations

Conclude the proposal with a succinct summary of the recommendations for action.

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