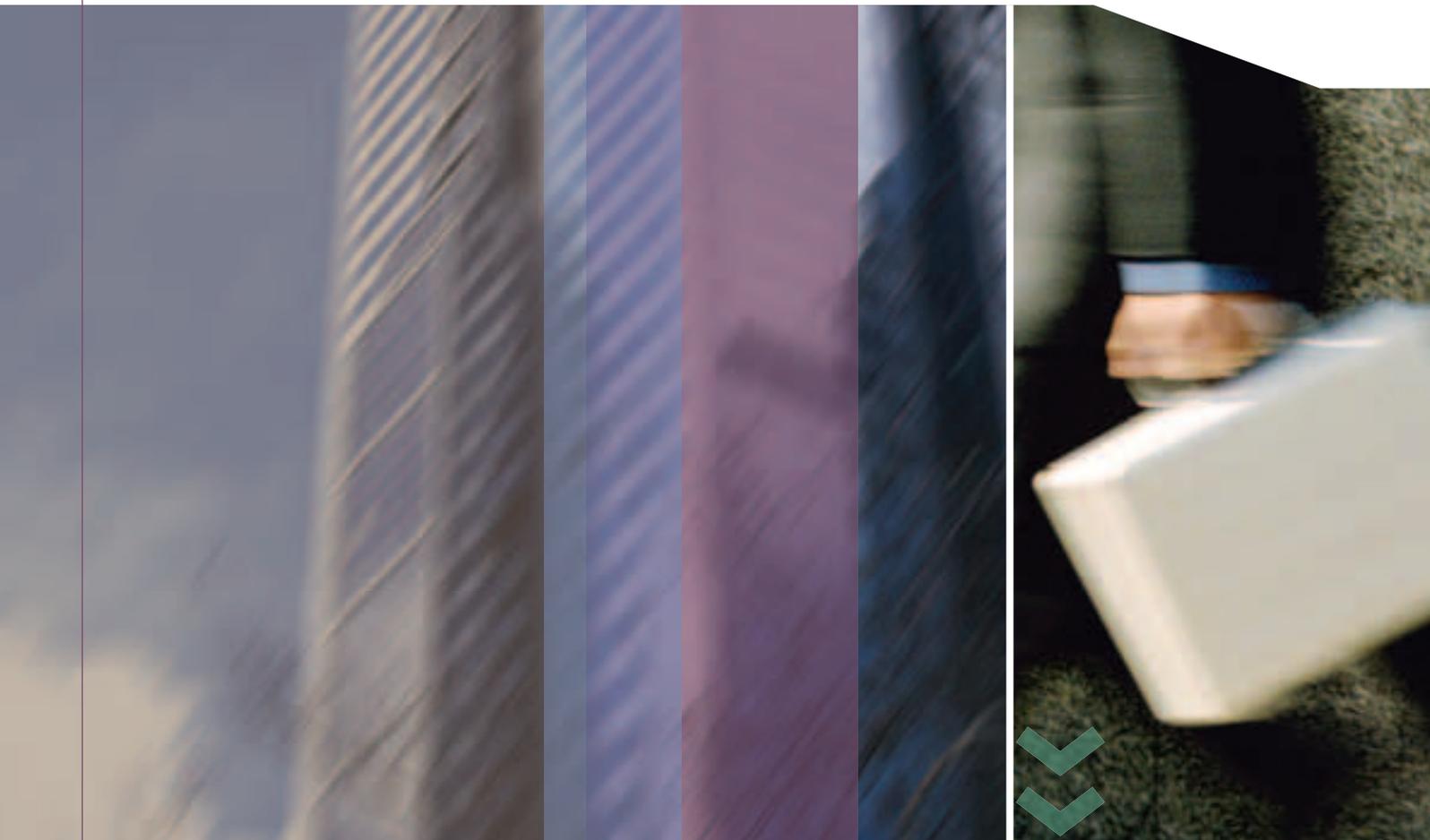# SAFE AND SOUND

A discussion paper on safety leadership
in government workplaces

Australian Government
Australian Safety and Compensation Council

Australian Government
Comcare

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in government workplaces

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CONTENTS

EXECUTIVE SUMMARY

The *National OHS Strategy 2002-2012* (National Strategy), endorsed by the Workplace Relations Ministers' Council (WRMC), recognises that all levels of government have a role to play in providing leadership to Australian business and working communities to encourage safe and healthy workplaces.

The National Data Set indicates that government administration, as an industry, has among the lowest incidence of injury in Australia. However, governments are also direct or indirect employers, covering industries such as health and community services, construction, transport and storage, with much higher rates of injury.

Comcare, the Australian Government's occupational health and safety (OHS) and workers' compensation authority, has undertaken a project on behalf of the National Occupational Health and Safety Commission (NOHSC), now the Australian Safety and Compensation Council (ASCC) to identify initiatives to strengthen safety leadership in government workplaces.

Comcare's examination of this issue included consideration of international and Australian academic literature, as well as the identification of practical initiatives being adopted in government workplaces.

MODEL OF BEST PRACTICE

While it is recognised that regulation is necessary for good OHS, compliance with legislation and a regulatory regime alone does not lead to an outstanding safety record. Commitment and leadership from senior management is also required.

The range of activities being implemented across all levels of government in Australia is clear evidence that the public sector and employee organisations regard OHS and injury management as a critical component of effective organisational and human resource management and labour relations.

What has been missing, however, is a widely-disseminated, comprehensive and integrated model of best practice to guide initiatives in safety leadership.

The research findings indicate a possible framework for a model of best practice for improving safety leadership in government workplaces. The leadership model has five components:

Commitment

Research indicates that senior management commitment to improved OHS and injury management is critical if improvements are to be realised. However, this commitment must extend beyond satisfying regulatory requirements to achieving improvements in OHS and injury management.

Systems review and improvement

Leading by example involves improving health and safety at work and efforts to return injured employees to work. This necessitates leaders satisfying themselves that management systems are in place that support:

> prevention;

> notification of unsafe work practices;

> early intervention; and

> safe and sustainable return to work (RTW) of injured employees.

Accountability measures

Research indicates a range of strategies for transforming leadership commitment into demonstrable action. These include establishing personal and organisational accountabilities. Personal initiatives include having OHS and injury management performance outcomes in individual contracts and having a senior manager responsible for management systems review and improvement. Organisational initiatives include establishing parliamentary and annual reporting requirements and devolving financial accountability for workers' compensation to business units.

Executive information

To make an informed and effective contribution to OHS and injury management, leaders require an understanding of the relevant legislation and regulatory frameworks, individual responsibilities and workplace safety risks. Often materials and courses are targeted at practitioners or experts. Addressing leaders' information and training needs will contribute to improved understanding of OHS and injury management and alert them to emerging health, safety and injury management issues.

Incentives

Incentives that recognise good performance are necessary motivators in OHS and injury management. Awards provide a good source of case study information and signal those governments or government organisations that invest in, and derive a sense of pride from, their excellent OHS and injury management performance.

SUMMARY OF RECOMMENDATIONS

The report makes recommendations to gain Workplace Relations Ministers' support for a package of initiatives to strengthen safety leadership in government workplaces.

Recommendation 1

To foster the commitment of government workplace leaders to improved OHS and injury management, WRMC agrees:

> to engage the commitment of all Ministers with responsibility for government administration to set, as a minimum, targets consistent with the National Strategy;

> that, where practicable, and consistent with the above, all government agencies be required to set targets; and

> to work together to implement positive performance indicators at the jurisdictional and agency level.

Recommendation 2

To encourage OHS and injury management systems improvement in government workplaces, WRMC agrees:

> to encourage benchmarking of OHS and injury management performance and strategies across comparable public sector functions and activities and in relation to issues of concern to the public sector; and

> that to facilitate this, each jurisdiction will share relevant information and take on responsibility for coordinating benchmarking in one of the key public sector functions and issues of concern.

Recommendation 3

To improve the accountability of government workplace leaders for OHS and injury management, WRMC agrees that:

> each jurisdiction will report its public sector's performance against the National Strategy, including targets, in the ASCC report to WRMC, and

> OHS and injury management performance be reported in annual reports of public sector agencies.

Recommendation 4

To better inform government workplace leaders of their role and responsibilities in relation to OHS and injury management, WRMC agrees that:

> all senior managers in their jurisdictions be provided with information, advice and training to enable them to make an informed contribution to OHS and injury management implementation in the workplaces for which they are responsible; and

> a national conference or series of conferences on public sector leadership in OHS and injury management, and/or emerging injury, disease, claim or workforce patterns relevant to the public sector be sponsored.

Recommendation 5

WRMC agrees to establish a national annual award for excellence in leadership in OHS and injury management in the public sector.

INTRODUCTION

In May 2002, the Workplace Relations Ministers' Council (WRMC) endorsed the *National OHS Strategy 2002-2012* (National Strategy). The National Strategy was developed by the National Occupational Health and Safety Commission (NOHSC) with the aim of securing improvements in occupational health and safety (OHS) in Australian workplaces over the next decade.

The National Strategy set as national targets the reduction of the incidence of work-related fatalities and workplace injury by at least 20 per cent and 40 per cent respectively. WRMC's endorsement commits all jurisdictions to reduce workplace injuries and fatalities. These targets are to be achieved by 2012.

The National Strategy is a significant breakthrough. It focuses efforts by governments, employers and employees and their representatives to dramatically improve Australia's OHS performance over the next decade.

The National Strategy identifies five national priorities to bring about short and long-term OHS improvements, as well as longer-term cultural change. The fifth priority is to strengthen the capacity of government to influence OHS outcomes. It aims to improve the health and safety performance of government, including as public sector employers.

Comcare, the Australian Government's OHS and workers' compensation authority, agreed to undertake a project on the fifth priority.

The Comcare project involves identifying initiatives that could strengthen leadership and accountability for OHS and injury management in government workplaces. Through consultation with jurisdictions and other stakeholders, and research of international initiatives, Comcare considered a range of factors that may contribute to improved OHS and return to work (RTW) outcomes.

This paper examines the theory and practice of safety leadership in government workplaces. It suggests a model of best practice to guide improvements in this area, and offers practical suggestions for leaders to implement in their own workplaces (these are summarised at Attachment A). Recommendations made to Workplace Relations Ministers are designed to foster improved safety leadership across the public sector.

GOVERNMENT WORKPLACES

The Australian public sector employs over 1.5 million people (around 20 per cent of the total workforce[1]), with 16 per cent in Australian Government employment, 73 per cent in state government and 10 per cent in local government employment.[2]

It provides a range of functions for governments and delivers services to the Australian public, including policy development, education and research, social security, health and welfare, licensing and regulatory arrangements, law enforcement and public works.

Australian Government employees are covered by Commonwealth OHS and workers' compensation legislation. State, territory and local government employees are covered by relevant state and territory OHS and workers' compensation legislation or administrative arrangements. Australian Capital Territory (ACT) government employees are an exception. Their workers' compensation coverage is provided by Ministerial arrangement under Commonwealth legislation.

INDUSTRY PERFORMANCE

The WRMC's comparative performance monitoring project reports on OHS and injury management performance and trends and provides a basis for jurisdictional and industry comparison.

The report (derived from the National Data Set for compensation-based statistics) does not distinguish between private and public sector performance. It does, however, provide an analysis by industry grouping, using the Australian and New Zealand Standard Industrial Classification (ANZSIC). Of these industry groups, the public sector is predominantly represented in the 'government administration and defence' industry.

The data indicate that government administration and defence, as an industry, has among the lowest incidence and frequency of injury in Australia.

The incidence of compensated injuries per 1000 employees resulting in 5 or more days lost time in 2000-2001 was 8.4 (compared to the all industry average of 15.2). The frequency of injury per million hours worked that resulted in 5 or more days lost time was 4.4 (all industry average was 9.0). When comparing industry outcomes, the frequency of injury may be a better indicator of workplace safety performance than incidence rates.

In 2000-2001, government administration and defence had an average premium rate of 2.09 per cent of payroll, lower than the national average of 2.42 per cent of payroll for all industries.[3]

The most prevalent mechanisms of injury[4] for government administration and defence as an industry are body stressing and falls, trips and slips. This prevalence is consistent with the other Australian industries.

However, governments are also direct or indirect employers in industries with much higher rates of injury or premium (such as health and community services, construction, transport and storage).

ROLE OF GOVERNMENT

Governments have a leadership role in preventing and managing work-related injury and disease through promoting, legislating and enforcing OHS and injury management requirements via a range of mechanisms.

The National Strategy recognises that governments, as major employers, policy-makers, regulators and purchasers of equipment and services, should

have considerable influence over the achievement of better OHS and injury management outcomes in Australia.

National Priority Action Plan 5 of the National Strategy aims to sharpen the effectiveness of governments in securing better OHS outcomes and providing examples of good OHS practice.

Comcare has extended the scope of this project to include injury management and RTW outcomes as this is the necessary next step for employers when workplace injury does occur. A commitment to workplace safety should extend to providing support for those injured in the workplace. A focus on safe return to work will minimise the risk of employees being re-injured in the workplace and contribute to healthy and safe workplaces.

The development of a whole-of-government procurement model is one important project under the National Strategy. It recognises that government, as a major procurer with generally uniform reporting and regulatory guidelines (within and between each level of government), is well placed to implement consistent OHS requirements in its own procurement strategies. Some governments already have guidelines to assist agencies to incorporate OHS considerations into procurement processes. In NSW, the Department of Public Works and Services is one example.[5]

National Priority Action Plan 5 seeks five specific outcomes:

> continual improvement in governments' OHS performance as employers

> whole-of-government approaches are taken to ensure OHS implications are considered and accounted for in all the work of government

> where practicable, governments, project managers and contractors improve OHS through the use of the supply chain

> practical guidance on measuring and reporting OHS outcomes is available for public sector agencies, and

> continual improvement in governments' performance as OHS policy-makers and regulators.

This project is concerned primarily with the first outcome – government as an employer and exemplar of OHS practice.

In leading by example, governments at all levels can demonstrate the advantages of excellent OHS and injury management performance. They can also encourage performance improvement in those industries with which they deal, either as employers or clients and beyond any workforce-wide regulatory roles.

EMERGING ISSUES

There are a number of workplace safety and injury management issues of increasing concern in Australia, including in public sector workplaces. These relate, for example, to increased risk or claim profiles for certain injuries or diseases and responses to changes in the composition and characteristics of the workforce. Specific examples of emerging issues include:

> psychological injuries

> workplace violence and harassment

> occupational disease

> implications of an ageing workforce, and

> changing employment practices, such as contracting and labour hire.

There is evidence of some activity in these areas across Australia. For example:

> **psychological injuries.** Queensland, South Australia and Comcare have recently introduced initiatives in this area

> **workplace violence and harassment.** Queensland and Victoria have introduced high profile strategies to raise awareness of these issues, and Western Australia released guidance material to help both employers and employees identify and deal with bullying in the workplace

> **occupational disease.** Prevention of occupational disease is a priority under the National Strategy

> **ageing workforce.** Comcare has developed guidance material for Australian Government employers on maintaining safe and supportive workplaces for ageing employees, and

> **changing employment practices.** Victoria and Comcare are examining contingent workforce issues.

SAFETY LEADERSHIP

Regulation is the most important motivator of behavioural change in OHS and personal liability, reinforced by credible enforcement, is the single most important motivator of Chief Executives.[6]

While regulation is necessary for good OHS, compliance with legislation and a regulatory regime alone does not lead to an outstanding safety record.[7] Commitment and leadership from senior management is also required. As a 1982 National Research Council report indicated:

> The initiative to achieve and maintain excellent safety performance must come from management ... they alone have the authority ... to establish the policies and priorities and to communicate them throughout their organizations ... to implement safety programs, commit resources, and reward their managers and employees for achieving the goals of those programs.[8]

This view underpins the United Kingdom's Revitalising Health and Safety strategy.[9] While recognising that both the United Kingdom and the European Union have a legislative framework that is 'broadly complete', the challenge was to convert legal standards into genuine changes in culture and performance in the workplace.

This is also Australia's challenge. And senior managers are the ones who must lead such a conversion in the workplace.[10] Senior management responsibilities for OHS are outlined in legislation. Their commitment and leadership are central to improving workplace health and safety.

SAFE WORKPLACES, PRODUCTIVE WORKPLACES

In Australia, work-related injuries and disease impose a huge financial burden on all sections of the Australian community. In 2003 NOHSC estimated that the cost was at least $31 billion each year.

While workers' compensation costs (typically paid as premiums) are a significant component of the cost of workplace injury and disease, there are other hidden and indirect costs. For example, for employers they include:[11]

> lost productivity

> loss of skills, experience and knowledge

> cost of recruitment, replacement and training

> increased workload pressure and uncertainty for co-workers

> higher risk of injuries to other staff and lowered morale

> cost of replacement equipment

> damage to the organisation's reputation and image as an attractive workplace, and

> cost of investigations reports.

In addition to these costs are the social costs to the injured workers, their families and the community.[12]

Estimates of indirect costs as a proportion of direct costs range considerably. Some international research suggests that, for every dollar spent on direct costs of injury, there are at least between 1.4 and 2.0 dollars spent on indirect costs.[13]

It makes sound business sense to manage risk effectively and incorporate OHS as an integral part of an organisation's productivity, competitiveness and profitability strategies.[14] Financial benefit flows from improved OHS and injury management, both

in terms of reduced direct and indirect costs, and enhanced profitability and productivity.[15] The strategic advantages of improving OHS and injury management include increased customer satisfaction, enhanced corporate reputation and improved worker morale and motivation. Indeed, the loss of corporate credibility/corporate image has been identified as the next most powerful motivator of corporate (and CEO) OHS behaviour after regulation.[16]

SAFETY CULTURE

It is clear that some organisations achieve better OHS outcomes than others. Those that do are said to have a good 'safety culture'. Safety culture has been described as the attitudes, values, norms and beliefs that a particular group of people share with respect to risk and safety.[17] An organisation's safety culture is a subset of its overall organisational or workplace culture and determines its level of safety.[18] The concept of safety culture looks beyond formal arrangements to how people think and act toward safety.

Workplace culture and safety culture are both influenced by senior management. Research clearly indicates the importance of leadership, and employees' perceptions of their leaders, in the formation and maintenance of a positive safety culture and reduction of accidents.[19]

Workplace culture also impacts on the RTW of injured employees.[20] Cooperation and support from management, especially an injured employee's supervisor, is the most influential factor in achieving a RTW for an injured employee. When workplaces have a positive and supportive culture, an organisation's capacity to implement injury management programs and to develop effective RTW programs will improve. A positive workplace culture is indicated by employee perception of such factors as good management support, sound peer relations and feeling valued in their jobs.[21]

Changing workplace culture may be difficult, but its success is very much dependent on good leadership. To produce change, leaders must communicate their vision and strategies and motivate their middle managers. Managers then play a similar role in creating change down the line – in their own divisions, departments and groups.

LEADERSHIP STYLE

Management attitude, behaviour and style tend to be less quantifiable indicators of OHS and injury management outcomes than say OHS and injury management systems. Nonetheless, these factors have a very powerful effect on workforce safety and help separate the good from the excellent organisations.[22]

The United Kingdom's Health and Safety Executive's discussion paper on OHS in construction put it this way:

> A strong, visible management commitment is crucial for good health and safety performance. Top management must be seen as actively interested and committed ... Directors and senior managers need to show that health and safety is important by how they behave as much as by what they say.[23]

The challenge for senior management is not only to improve safety and injury management but also develop skills and qualities that build positive management and worker capabilities.

For employees, it is their perception of leadership qualities and attributes that is crucial for improving workplace safety and injury management.

There are a number of specific qualities and attributes that signal leadership commitment and contribute to a good safety culture and safety outcomes. These include:

> **Trust.** Interpersonal trust between leaders and employees is important for many organisational variables such as quality of communication, performance and co-operation. The role of trust in determining safety outcomes has been examined in a study of over 400 nuclear power plant employees in Finland. It found that as trust and satisfaction with top management increased, perceived nuclear safety and acceptance of the organisational goals and values also increased.[24]

> **Communication style.** Frequent and informal communications between employees and management on safety and injury management issues is critical for improved performance.[25] These behaviours demonstrate a manager's concern for safety and provide opportunities for early recognition of hazards and early support for an injured employee to RTW.

> **Involvement.** Management commitment and involvement in safety programs has been found to be associated with good safety performance.[26] Involvement includes making a personal contribution to OHS consultation and frequent contact between workers, management and supervisors. Senior management involvement acts as a motivational force for both middle management to implement organisational guidelines and directives in OHS and injury management, and for employees to cooperate in this implementation.

> **Participative management.** Australian OHS legislation provides a basis for worker representatives to provide input into decision-making that affects their OHS. People work more safely when they are involved in the decision-making process, have specific and reasonable responsibilities and have immediate feedback about their work.[27] Recent studies show that where employers manage OHS and injuries without such consultation, performance (as measured by such indices as injury rates), is considerably worse than when consultation occurs.[28] Management styles characterised by openness and encouragement of worker participation are likely to be the most effective in promoting a positive safety culture.

> **Locus of control.** The degree to which control over work organisation and task structure is centralised is an important consideration in the culture of safety, with greater decentralisation making for better OHS outcomes.[29] A decentralised approach has been shown to be the most effective way for senior management to promote workplace safety motivation and accident prevention.[30]

> **Flexibility and adaptability.** A major Australian study found that management styles that emphasise flexibility and adaptability to changing conditions while maintaining organisational consistency and continuity encourage worker commitment to organisational goals and values, particularly for public sector employees.[31]

Better health promotion and OHS programs have also been found to improve worker health directly and to 'immunise' against workplace injury.[32] Investment in these areas has been found to foster perceptions of organisational commitment and build worker loyalty in areas such as safety behaviour. For example, the provision of recreational programs for employees has been associated with significantly lower injury rates than those without.[33] This may be because such programs are seen by employees as evidence of management's concern for their employees, or that the programs help to bring employees together, forming closer relationships among workers.

A MODEL OF BEST PRACTICE

A number of initiatives to strengthen leadership and accountability for OHS and injury management have been identified across Australian governments.[34] This is clear evidence that the public sector and employee organisations regard OHS and injury management as a critical component of effective organisational and human resource management and labour relations.

The academic literature also indicates that there are a range of activities that, if implemented in government workplaces, could strengthen leadership and accountability for workplace safety and RTW. In turn, this would contribute to improved OHS and injury management performance in the public sector.

What appears to be missing, however, is a widely-disseminated, comprehensive and integrated model of best practice to guide initiatives in this area.

The benefits of developing a best practice model are many. It has the potential to inform industry-wide strategies for promoting and fostering enhanced leadership accountability within and across the public sector. It could provide a basis for establishing collaborative working arrangements, information sharing and benchmarking across governments. It could also provide a context for governments and/or government agencies to review and improve current strategies and activities.

The research findings indicate a possible framework for such a model. The leadership model has five components:

> commitment
> systems review and improvement
> accountability measures
> executive information, and
> incentives.

The scope and benefits of each component is explained in the following pages. Recommendations that further commit Workplace Relations Ministers to foster improved safety leadership in government workplaces are made under each component. Practical, workplace-based activities and suggestions for workplace leaders to consider are also provided.

COMMITMENT

If government is to lead by example, then commitment is needed to improve health and safety at work and efforts to return injured employees to work within government workplaces.

Research indicates that senior management commitment to OHS and injury management is critical if improvements in the workplace are to be realised.[35] Commitment must extend, however, beyond satisfying legislation and regulatory requirements and be demonstrated by actions to achieve improvements in OHS and injury management.

Improvement targets

The National Strategy provides a commitment to achieving national OHS targets. One way that government can show leadership is by adopting these targets, as a minimum, in its own workplaces.

It might be impractical to set individual targets for small agencies, but as a broad strategy governments should aim to achieve, and wherever possible exceed, the National Strategy improvement targets.

Comcare recently invited all Australian Government premium paying-agencies with 1000 or more employees to commit to achieving four targets over the next ten years. The first two are the National Strategy targets to reduce the incidence

of workplace injuries and fatalities. Agencies have also been asked to commit to achieving targets to reduce the amount of time lost due to injury and to reduce the average time taken for rehabilitation activity to commence following injury.

The Australian Council of Trade Unions (ACTU) has confirmed that its OHS priorities for 2000-2003 include the promotion of measurable industry-level targets. This is in addition to the targets set by the National Strategy.[36] The ACTU is seeking targets that acknowledge the full extent of work-related death, injury and disease.

The NSW Premier's Department's *OHS Improvement Strategy* for the public sector also included target setting.[37] Targets were set for a 10 per cent reduction in claims frequency and a 13 per cent reduction in claims severity (average claim cost). The strategies utilised to achieve the targets were benchmarking OHS and rehabilitation and workers' compensation premiums, and reviewing and measuring OHS and workers' compensation performance. The initiative produced impressive outcomes in the three years 1998 to 2001, with a saving of $53 million in workers' compensation premiums. The initiative has since been endorsed for another three years.

The ACT Government has initiated the *ACT Safety First* project with a goal to improve OHS and injury management outcomes for public sector agencies. Key strategies within this project include securing leadership and commitment, monitoring and reviewing performance, ensuring that appropriate management systems are in place, targeting current and emerging issues and promoting best practice.

Positive performance indicators

Using a mix of positive performance indicators and outcome indicators will help organisations achieve targets and improve performance.

As AS/NZS 4804:2001[38] notes, performance indicators can be outcome-based, reflecting system or operational performance (such as injury rate), or input-based. Examples of outcome indicators include the number of injury claims, number of days lost, and claim costs.

Outcome indicators are important measures, but generally reflect the results of past actions. There is often a time lag between action taken by an organisation to improve performance and any measurable change in performance. Outcome indicators may hide potential risks. For example, a low incidence of injury does not necessarily mean that adequate safety systems and controls are in place.

OHS and injury management positive performance indicators allow organisations to measure progress towards achieving objectives and targets. Positive performance indicators allow an organisation to measure activities undertaken that are designed to positively impact on outcome performance. They focus on how successfully an organisation or industry is performing in relation to OHS.[39]

Information requirements may differ at different levels of management within the organisation. For example, a senior manager may require positive performance indicators that demonstrate the overall effectiveness of OHS and RTW management systems. A line manager may need indicators that demonstrate that risks in their workplaces are assessed and eliminated or controlled.

Positive performance indicators may be used to monitor the level of activity across five broad areas. These include:

> **Risk management:** Indicators that demonstrate that workplace hazards are identified and associated risks are eliminated or controlled. Examples include the number or percentage of risk assessments completed, and the percentage of incidents investigated.

> **Management of work processes:** Indicators that demonstrate that safe systems of work and effective injury management practices are implemented. Examples include the percentage of risk assessment recommendations implemented, the percentage of injured workers offered support to return to work, and the results of workplace inspections.

> **Participation, communication and skills:** Indicators that demonstrate that managers and staff have participated in OHS training, are aware of their roles and responsibilities and

participate in maintaining safe workplaces. Examples include employee perceptions of OHS performance and the percentage of staff and managers participating in OHS training;

> **Planning, design and procurement:** Indicators that demonstrate that health and safety are addressed in the design, planning and procurement phases of projects. Examples include the percentage of service contracts with OHS clauses and the percentage of design changes or major purchases that involved an OHS risk assessment; and

> **Monitoring and review:** Indicators that demonstrate that OHS and injury management systems and performance are assessed and areas for improvement are addressed. Examples include the number of OHS and/or RTW management systems assessments undertaken and the percentage of recommendations that are implemented following assessment.[40]

Recommendation 1

To foster the commitment of government workplace leaders to improved OHS and injury management, WRMC agrees:

> to engage the commitment of all Ministers with responsibility for government administration to set, as a minimum, targets consistent with the National Strategy,

> that where practicable, and consistent with the above, all government agencies be required to set targets, and

> to work together to implement positive performance indicators at the jurisdictional and agency level.

Practical tips for workplace leaders

> Set long-term organisational improvement targets.

> As a starting point, adopt the National Strategy targets.

> Add targets that drive improvements in RTW performance and/or areas of identified risk for your organisation.

> Set baseline data so that performance improvements can be quantified.

> Compare your organisation's performance against the National Strategy targets.

> Develop positive performance indicators at organisational or business unit level.

> Include OHS and injury management data as part of the organisation's performance measurement framework (for example, balanced scorecard).

Executive committees

Better safety and injury management is gained where a high priority is given to these issues at high level management meetings. The United Kingdom's *Revitalising Health and Safety* strategy noted the importance of boardroom accountability initiatives and having greater prominence for OHS at the board level.[41]

Exposure of these issues at high-level meetings helps to raise the profile of OHS and shift perceptions of workplace health and safety from 'regulatory need' to 'strategic need.'[42] The evidence suggests that decisions made at senior levels affect the priorities, attitudes and behaviours of managers and employees down the organisational hierarchy.

United Kingdom guidance material for senior management boards stresses the importance of senior leadership.[43] The material sets out the roles and responsibilities of the board and its members with regard to OHS. It details key actions whereby boards, collectively and as individuals, can demonstrate corporate leadership in OHS. One of its recommendations is that a board member be appointed as the 'health and safety director'.

A study that looked at differences between companies with low accident rates compared with those with high accident rates, found that more of the low accident companies had their highest safety official in the top management levels.[44] While the high accident companies indicated they had more persons involved in OHS, these were largely part-time responsibilities, suggesting a more fragmented safety effort.

Practical tips for workplace leaders

> Make OHS and injury management a standing item on executive meeting agendas.

> Consider OHS and injury management implications when developing organisational change and human resource management strategies.

> Make a senior executive accountable for the effectiveness of the organisation's OHS and injury management systems.

> Allocate resources to identify, assess and remedy areas of risk.

> Require line managers to report to the executive on workplace injuries, steps taken to prevent further injury, and the rehabilitation support provided to injured employees.

> Require your claims insurer and/or injury management service provider to address the executive meeting on your organisation's injury and claim trends and costs.

SYSTEMS REVIEW AND IMPROVEMENT

Commitment can be signalled by leaders satisfying themselves that management systems are in place that support the prevention of work-related death, injury and disease, notification of unsafe and unhealthy work, early intervention (both pre-claim and in the initial stages of a claim) and safe RTW.

Having effective policies and procedures in place not only establishes how OHS and injury management issues are to be managed, but also contributes to better safety outcomes. They

do this by communicating to the workforce that management is clearly and consistently supportive of safety, and how that support is to be demonstrated.[45]

Key elements of an OHS management system include:[46]

> OHS and injury management (RTW or rehabilitation) policies

> regular inspection of premises

> written safe work procedures, that incorporate identification of hazards and control of risks

> investigation of incidents

> records and statistics that provide a factual basis for regular reports on OHS and RTW performance

> a health and safety committee with employer and employee membership

> health and safety representatives

> instruction and training of workers and managers

> targets and performance indicators to measure progress, and

> system audits to review the effectiveness of the OHS management system on a regular basis, to allow for continuous improvement.

In the final analysis, OHS and injury management systems will operate effectively only if they have full management support and commitment. Due diligence is not shown, for example, by having safe work practices and procedures that sit, fully documented, in a folder on the shelf - but never used.[47]

Audit and review

The performance of OHS and injury management systems should be continually reviewed and opportunities identified for improvement.

The ASCC has identified three barriers to the effective implementation of OHS management systems:

> failure to meet necessary conditions (for example, by not being customised to the needs of the organisation)

> inappropriate use of audit tools (for example, where they become an end in themselves), and

> application in hostile environments (for example, in areas with precarious employment).[48]

A number of audit tools have been developed to review OHS management systems. One widely used tool is *SafetyMAP*, developed by the Victorian WorkCover Authority in 1994.[49] As well as its use as an audit tool, it provides a framework on which an organisation can build its own OHS management system. The tool has a three-level certification scheme - initial, transition and advanced – the last representing best practice.

The NSW Premier's Department has developed its *OHS Improvement Standard*,[50] designed as a self-assessment audit tool for government agencies or for third party OHS evaluators to implement. It highlights the key elements of an OHS management system as outlined in AS/NZS 4804:2001.

Related tools are Comcare's Return to Work Management Systems Assessment[51] and the Victorian WorkCover Authority's *InjuryMAP*[52] audit documentation. These tools provide the means to undertake an assessment and review of an organisation's management of the RTW of its injured workers, and to establish a benchmark for improvement.

The Comcare tool assesses RTW management systems against five elements that are taken from *AS/NZS 4804:2001* and reflects the principles articulated in the Comcare and Australian National Audit Office *Better practice guide for managing return to work*.[53] The five principles are:

> commitment and policy
> planning
> implementation
> measurement and evaluation, and
> review and improvement.

Safety and injury management programs

Implementing a whole-of-government or agency-based safety and injury management program is one way governments can foster improved safety leadership.

An effective program should inform management, supervisors and workers about their responsibilities and roles in making work safe and returning injured employees to work. It should also target areas of risk and/or cost to government as a whole, or to the specific agency.

Many governments have already put in place some form of improvement strategy for their own workplaces. For example:

> NSW released its *Taking Safety Seriously* strategy in 2002 that provides guidelines to government agencies in an effort to establish and maintain healthy workplaces, as well as the 'Council Safe' initiative aimed at building local government industry capability to manage OHS.

> Victoria introduced its Budget Sector *OHS Improvement Strategy* and the *Focus 100* program. The objective of the improvement strategy is for each budget sector agency (agencies which source at least 50 per cent of their funding from the budget) to achieve 20 per cent improvement in key performance indicators over a three-year period. The *Focus 100* program aims to establish systems within

Victoria's top 100 poor performers (which includes public sector agencies) and will also monitor claims performance through intensive intervention programs.

> Comcare has engaged in a collaborative prevention and injury management improvement project with large Australian Government premium paying employers (for example, Centrelink, Defence and the Australian Taxation Office) aimed at preventing injuries, improving RTW outcomes and reducing premiums.

> The Queensland Government commenced a three year *Improvement Strategy* in 2002 that aims to reduce workers' compensation claim costs and premiums paid by government agencies.

> The ACT Government has initiated a three-year *ACT Safety First* project which aims to improve OHS and injury management outcomes for its public sector agencies. The project has already proposed adoption of the targets in line with those contained in the National Strategy for the sector, as well as related reporting in agency annual reports.

Benchmarking

Governments may wish to include a benchmarking component as part of these programs. Benchmarking has been described as "a tool for improving performance by learning from best practices and understanding the processes by which they are achieved."[54] In the context of OHS and injury management, it is a valuable tool for bringing about continuous improvement. It can be used to establish OHS and RTW best practice by assisting organisations to analyse, compare and improve current practice.

The annual Comparative Performance Monitoring (CPM) Report, although limited to compensation data, provides a basis for jurisdictions and industries to compare their performance. CPM data provide opportunities for high-level, or Australia-wide benchmarking against a range of indicators. Opportunity exists for governments to use this data to inform performance and process benchmarking activities within and across their own workplaces.

The Commission of the European Communities has identified benchmarking as an approach to encourage the various parties to 'go a step further' in improving their OHS.[55] NOHSC has produced a kit to help organisations use benchmarking.[56] The kit is based on the experience of Australian enterprises that successfully benchmarked OHS and incorporates input from both the jurisdictions and industry.

Organisations that participated in NOHSC's benchmarking project reported that the most useful form of benchmarking involves analysis of processes and procedures in their own and other organisations, and adaptation of the findings to guide improvements.[57] The NOHSC kit outlines management practices that must be in place to allow benchmarking to succeed as a tool for continuous improvement.

Benchmarking OHS is already undertaken in some government organisations. For example:

> The Queensland Department of Industrial Relations report its performance on prevention and claims management strategies against benchmarked indicators.

> Local government councils, such as Redcliffe, Manningham, Cairns and Canterbury, reported benchmarking of general performance and continuous improvement in OHS and injury management against other councils.

> The NSW Premier's Department implemented a number of continuous improvement strategies over 1998–2001, including benchmarking OHS, rehabilitation and workers' compensation premiums. As part of this strategy it developed the *OHS Improvement Standard*. The aim of the standard was to benchmark OHS performance against the whole-of-government policy *Taking Safety Seriously*. It provides feedback to agencies on their development and implementation of systematic approaches to managing OHS risks.

No evidence was provided to indicate that governments are currently benchmarking performance or processes across jurisdictions. Legislative differences make direct comparison of data and performance across jurisdictions problematic. The potential exists, however, for benchmarking of strategies, activities and processes across jurisdictions, functions and areas of

risk. For example, there may be scope for inter-government benchmarking projects, especially for comparable government functions such as law enforcement, education, health and community care. In addition, benchmarking could focus on issues of concern to the public sector, such as psychological injury or returning injured employees to suitable employment.

Opportunities may also exist for mentoring arrangements within or across jurisdictions. A mentoring model could be developed that would, for example, partner better performing agencies with poorer performing agencies of similar size, function or injury risk profile. This approach would facilitate action learning and the transfer of practical knowledge and experience between agencies and may involve agency to agency benchmarking as one component.

Practical tips for workplace leaders
> Develop an improvement program for your organization.
> Speak to your claims insurer and/or injury management service provider about setting up a collaborative project.
> Identify organisational improvement priorities based on achieving targets and controlling injury risks.
> Set up a steering committee that includes senior management representatives.
> Recognise that cultural and attitudinal change may be necessary to improve performance — and that this takes time.
> Use the NOHSC benchmarking kit to set up benchmarking arrangements within your organization.
> Establish performance benchmarks at organisational or business unit level.
> Establish benchmarking partnerships and/or mentoring arrangements with public sector agencies with similar functions or injury risk profiles, either in your state or territory or another.

Recommendation 2

To encourage OHS and injury management systems improvement in government workplaces, WRMC agrees:

> to encourage benchmarking of OHS and injury management performance and strategies across comparable public sector functions and activities and in relation to issues of concern to the public sector, and

> that to facilitate this, each jurisdiction will share relevant information and take on responsibility for coordinating benchmarking in one of the key public sector functions and issues of concern.

ACCOUNTABILITY MEASURES

A range of strategies has been identified for transforming leadership commitment and understanding into demonstrable action. These include establishing both personal and organisational accountabilities. Personal initiatives include having OHS and injury management performance outcomes in individual contracts (such as Australian Workplace Agreements) and having a senior manager responsible for management systems review and improvement. Organisational initiatives include establishing parliamentary and annual reporting requirements and devolving financial accountability for workers' compensation to business units.

Annual reporting

Annual reports are a powerful instrument in the accountability process.[58] They give both Parliament and the public an annual overview of government agency performance.

The United Kingdom's Health and Safety Commission has issued extensive guidance on health and safety in annual reports.[59] It recommends that companies report on a range of matters, urging a minimum in terms of outcomes and data on health and safety performance. These include:

> a synopsis of health and safety policy
> significant risks faced by employees and others, and control strategies adopted

> health and safety goals and targets, which should relate to the written OHS policy

> arrangements for consulting employees and involving safety representatives, and

> various statistics (number of fatalities, injuries, illnesses and dangerous occurrences, total time lost, any enforcement notices and convictions, and total cost of OHS injuries and illnesses).

AS/NZS 4804:2001[60] considers that effective reporting should cover the positive steps the organisation is taking to assess and manage hazards, including reports on:

> compliance with procedures

> performance against targets

> improvements

> investigations of causes of incidents, and

> health monitoring.

There is other evidence of a focus on OHS and injury management reporting by governments and their agencies. For example:

> Victoria has developed guidelines for reporting OHS in annual reports and a Ministerial direction introduced in 2000 now makes it mandatory for the Victorian public sector to report on OHS in its annual reports.[61]

> In NSW, the *Annual Reports (Departments) Regulation 2000* requires that all government agencies include OHS performance information in their annual reports. The number of work-place injuries and illnesses and any prosecutions under NSW's OHS legislation, are mandatory. Additional information can also be included, such as progress against OHS performance indicators, awards received and innovative OHS activities. Agencies are also encouraged to communicate OHS initiatives to stakeholders through publications and websites.[62]

> The Commonwealth jurisdiction has similar legislative requirements. Under section 74 of the *Occupational Health and Safety (Commonwealth Employment) Act 1991*, certain details are prescribed for inclusion in the annual reports of Australian Government agencies. These include OHS policy, specific OHS measures, statistics of any accidents and dangerous occurrences and

any OHS related investigations conducted during the year. Comcare also reports the performance of Australian Government premium paying employers and the ACT Government with respect to their annual premiums. Their performance is also reported against a set of performance indicators developed by the Safety, Rehabilitation and Compensation (SRC) Commission. There is a further breakdown of the performance of the 15 largest premium paying agencies against a selected number of the above indicators, reported in the SRC Commission annual report.

The NOHSC report on implementation of the National Strategy provides another avenue to increase public scrutiny of OHS performance and improve accountability. As indicated earlier, the performance of the 'government administration and defence' industry is reported and compared with other industries in the annual CPM report. To demonstrate government commitment to the National Strategy targets, there may be value in including in the NOHSC report information on performance against these targets, whether by jurisdiction, industry or sector.

Recommendation 3

To improve the accountability of government workplace leaders for OHS and injury management, WRMC agrees that:

> each jurisdiction will report its public sector's performance against the National Strategy, including targets, in the NOSHC report to WRMC; and

> OHS and injury management performance be reported in annual reports of public sector agencies.

Workplace agreements

Certified agreements and individual agreements can provide agencies with an opportunity to build commitment to OHS and rehabilitation objectives and promote a culture of continuous improvement in OHS and rehabilitation performance.

The inclusion of an appropriate clause in an individual agreement could be used to reinforce management commitment to, and accountability for, OHS and RTW. Such a clause would provide an opportunity for frank discussion of workplace safety and injury management performance within the context of regular performance feedback. Of course, feedback on these issues could be provided without reference to an individual agreement: for example, when considering the effectiveness of managers' people management practices, or by incorporating injury prevention and management criteria into performance development frameworks.

Financial accountability

Premium discount schemes (PDS) provide incentives to employers to implement programs to improve workplace safety and RTW strategies for injured workers. For example, the NSW PDS is a voluntary scheme that provides a discount on a participating employer's workers' compensation premium. Discounts are available for three years and employers receive a discount of up to 15 per cent, 10 per cent and 5 per cent in each successive year respectively, if their OHS and injury management systems meet WorkCover's benchmarks.[63]

The benchmarks in NSW cover six areas including management responsibility, consultation and communication and injury management.

Premium devolution is a management tool to aid in the management of the official premium within departments and authorities. It involves the devolution of financial responsibility for the workers' compensation premium to business units within an organisation.

Practical tips for workplace leaders

> Report organisational OHS and injury management performance in your annual report, including the organisation's performance against National Strategy targets.

> Clearly specify management's OHS and injury management responsibilities in organisational OHS and injury management policies and procedures.

> Consider using collective or individual workplace agreements, performance development frameworks and job descriptions to improve management's accountability for OHS and injury management.

> Introduce financial accountabilities for workplace injury to business units (including, for example, through premium devolution).

EXECUTIVE INFORMATION

It is difficult for leaders to make an informed contribution to OHS and injury management without an understanding of the relevant regulatory frameworks, individual responsibilities, or emerging health, safety and injury management risks and issues.

Unfortunately, materials and courses have often been targeted at practitioners or content experts. There is a need to specifically address leaders' information and training needs to improve understanding of OHS and injury management, with integration of OHS into management training.

The National OHS Skills Development Action Plan under the National Strategy involves integration of OHS into tertiary management education.

In 2002, Comcare launched its *Leadership and Accountability Strategy*. It was designed to increase Australian Government senior management commitment to create and maintain safe and supportive workplaces. Key to this strategy is an information campaign targeted at chief executives, human resource managers and line managers.

Comcare's leadership kits include information for leaders on their role and responsibilities, emerging issues (for example, psychological injuries) and strategies for improving OHS and injury management performance (for example, injury prevention, early intervention, workplace agreement-making, change management and management systems assessment). The information is also available electronically via Comcare's web site.[64]

Jurisdictional responses identified training for senior managers as an initiative commonly undertaken in public sector workplaces. Training delivery varied in method (intranet, email, video, customised workshops, networking, manuals and brochures) and content. Content covered roles and responsibilities under the legislation, accountabilities for managers and team leaders, workers' compensation and injury management.

Executive functions (for example, breakfasts and luncheons), seminars and conferences provide another source of information for executives. A number of such events are organised throughout the year around Australia, by OHS and workers' compensation authorities, public sector management agencies or private sector conference organisers and training providers.

While managerial training programs can be effective in improving workplace health and safety,[65] any training needs to be evaluated to assess change in performance, identify areas of strengths and weaknesses in the training, and determine whether the aims of the training have been achieved.

Often public sector sessions may be included as part of broader campaigns (for example, 'Safety Week') or national conferences. To promote an enhanced focus and profile among key stakeholders in this area, it may be useful to convene a national conference on the theme of safety leadership in government workplaces. The conference would bring together speakers from all levels of government to share the strategies and initiatives that have been found to make a difference in fostering improved safety leadership in their own workplaces. It would provide an opportunity for networking among government workplace leaders,

whether responsible for government administration, OHS and workers' compensation or a public sector workplace generally.

Another recent initiative that should be noted is the creation of the National Public Sector OHS and Injury Management Network. This group includes representatives of Australian, state and territory government agencies responsible for OHS and injury management in public service workplaces. Current membership does not extend to local government representatives but, if interest existed, extension of membership could be explored. The group has met twice (once in Adelaide in November 2002 and again in November 2003 in Canberra). The forum provides an opportunity for networking and sharing ideas specifically relevant to public sector OHS and injury management.

Recommendation 4

To better inform government workplace leaders of their role and responsibilities in relation to OHS and injury management, WRMC agrees that:

> All senior managers in their jurisdictions be provided with information, advice and training to enable them to make an informed contribution to OHS and injury management implementation in the workplaces for which they are responsible and

> a national conference or series of conferences on public sector leadership in OHS and injury management, and/or emerging injury, disease, claim or workforce patterns relevant to the public sector be sponsored.

INCENTIVES

Incentives that recognise and reward performance are necessary motivators in the area of OHS and injury management.

An Effective Incentives Forum, hosted by NOHSC in 2001, made a distinction between positive and negative incentives.[66] A positive incentive was defined as a 'positive planned activity that motivates organisations and individuals, resulting in improved OHS performance to above minimum standards'. It includes award programs, mentoring, grants or loans, and greater business opportunity through meeting procurement criteria. Negative incentives might include regulatory requirements and financial penalties if responsibilities to provide healthy and safe workplaces are not met.

Awards for excellence

Awards provide a good source of case study information. They signal those governments or government organisations that invest in, and derive a sense of pride from, their excellent OHS and injury management performance.

Jurisdictional responses identified rewards and incentives in a number of organisations. Swan Hill City Council provides staff with awards in recognition of good work practice or ideas for improving safety. In NSW, a number of agencies have introduced incentive schemes, such as staff and departmental award schemes, as part of the overall demonstration of management commitment.

For government agencies, the most common awards are jurisdictional WorkCover authorities' (or equivalent) Safety Awards. These awards are open to public sector agencies and usually involve a range of activities commemorating and fostering OHS and injury management initiatives. The activities culminate in the presentation of awards in recognition of excellence or continuous improvement in OHS during the previous year. Examples include:

> The National Safety Council of Australia in conjunction with Telstra provides annual *National Safety Awards of Excellence* to organisations in recognition of their commitment to health and safety.

> NSW WorkCover held its inaugural *Premium Discount Scheme Awards* in November 2002. The awards are designed to recognise those employers and their PDS advisers who demonstrated exceptional improvements in their OHS and injury management systems since joining the PDS.

> The *National Awards for Local Government*, established in 1986, recognise innovative or excellent organisational or business practices aimed at the continuous improvement of the efficiency or effectiveness of local government. In 2002, the awards attracted 373 entries across 11 categories, highlighting the diverse role of local government in improving the economic, social and environmental outcomes for their communities. The 'organisational practices'

category of awards includes a focus on OHS. The awards have promoted recognition of the variety and applications of OHS issues.

There would be merit in establishing an annual national public sector OHS award for leadership. This might be sponsored by WRMC and could be linked to another awards' function.

Practical tips for workplace leaders

> Include consideration of excellent OHS and injury management performance as part of organisational reward and recognition programs.

> Look to the winners of state or national jurisdictional awards for case studies of leadership, excellence and innovation.

> Invite the winners of these awards to address your executive team or safety and injury management program steering committee.

> Showcase your organisation's excellent leadership and innovation in OHS and injury management by applying for an award.

Recommendation 5

WRMC agrees to establish a national annual award for excellence in leadership in OHS and injury management in the public sector.

SAFETY LEADERSHIP

1   Australian Bureau of Statistics (2002), 6248.0 *Wage and Salary Earners, Australia,* Table H11A, at: http://www.abs.gov.au

2   Australian Bureau of Statistics (2003), 6248.0 *Wage and Salary Earners, Public Sector, Australia, March Quarter 2003,* at: http://www.abs.gov.au

3   Workplace Relations Ministers' Council (2002), *Comparative Performance Monitoring, Fourth Report,* p.64 (referred to in the text as the CPM *report*).

4   Mechanism of injury with highest percentage of compensated injuries with 12 weeks or more off work.

5   NSW Premier's Department (2002), *Taking Safety Seriously: A systematic approach to managing workplace risks in the NSW public sector – policy and guidelines,* 2nd edition, p.31 (referred in the text as *Taking Safety Seriously*).

6   Gunningham N (1999), *CEO and supervisor drivers: review of literature and current practice.* A report prepared for the National Occupational Health and Safety Commission, p.3, at: http://www.nohsc.gov.au/PDF/OHSSolutions/CEOSupervisorDrivers.pdf

7   Committee on Underground Coal Mine Safety, National Research Council (1982), *Toward Safer Underground Mines,* Washington DC: National Academy Press, cited in Workers' Compensation Board of British Columbia (2000), *Health Care Industry: Focus Report on Occupational Injury and Disease,* p.2, at: http://www.worksafebc.com/publications/reports/focus-reports/assets/pdf/focushealthcare.pdf

8   *Ibid.*, p.67.

9   Department of the Environment, Transport and the Regions (2000), *Revitalising Health and Safety Strategy Statement,* (referred to in the text as *Revitalising Health and Safety*), at: http://www.hse.gov.uk/revitalising/strategy.pdf

10 See for example, Western Australian Department of Consumer and Employment Protection (2002), *Submission to the Royal Commission into the Building and Construction Industry,* cited in *Cole Report p.73.*

11 Dorman P (2000) "The economics of safety, health and well-being at work: an overview," *InFocus Program on Safety and Health at Work and in the Environment,* International Labour Organisation.

12 House of Representatives Standing Committee on Employment and Workplace Relations (2003) *Back on the job: Report on the inquiry into aspects of Australian workers' compensation schemes,* p1

13 *Ibid.*, p.14.

14 See for example, O'Dea A and Flin R (2003), T*he role of managerial leadership in determining workplace safety outcomes,* p.13, at: http://www.hse.gov.uk/research/rrhtm/rr044.htm.

15 See for example, *Cole Report* p.44, citing as examples Mayhew CJ (1995), *An evaluation of the impact of Robens style legislation on the OHS decision-making of Australian and United Kingdom builders with less than five employees,* and Johnstone R (1999)*, Evaluation of Queensland Construction Safety 2000 Initiative,* NOHSC, Canberra.

16 Gunningham N (1999), *CEO and supervisor drivers: review of literature and current practice.* A report prepared for the National Occupational Health and Safety Commission, p.3, at: http://www.nohsc.gov.au/PDF/OHSSolutions/CEOSupervisorDrivers.pdf

17 Health and Safety Commission (1993), *Organising for Safety*, ACSN Study Group on Human Factors Third Report, London, HMSO.

18 See for example, Booth RT and Lee TR (1995), "The role of human factors and safety culture in safety management", *Jour Engin Manuf*, 209, pp.393-400, cited in Kuusisto A (2000), *Safety management systems: audit tools and reliability of auditing,* Technical Research Centre of Finland, VTT Publications, p.29, at: http://www.inf.vtt.fi/pdf/publications/2000/p428.pdf

19 op cit., O'Dea and Flin.

20 For a review of the literature, see two reports commissioned by WorkCover WA for the WA Workers' Compensation and Rehabilitation Commission: (2001), *Does Workers' Compensation Influence Recovery Rates?* and (1998)*, Management Practices, Medical Interventions and Return to Work*.

21 Campbell Research & Consulting (2000), *Impact of workplace culture on RTW: Preliminary Report,* report prepared for Comcare.

22 op cit., O'Dea and Flin, p.33.

23   Health and Safety Executive (2002), *Revitalising health and safety in construction: discussion document,* p.11, at: http://www.hse.gov.uk/consult/disdocs/dde20.pdf.

24   Kivimaki M, Kalimo R and Salminen S (1995), "Perceived nuclear risk, organisational commitment, and appraisals of management: A study of nuclear power plant personnel", *Risk Analysis*, 15(3), pp.391-396.

25   op cit., O'Dea and Flin, p.33.

26   Cohen A, Smith M and Cohen H (1975), *Safety program practices in high versus low accident rate companies – an interim report,* Cincinnati: NIOSH, US Dept Health Education & Welfare; and Smith M, Cohen H, Cohen A and Cleveland R (1978), "Characteristics of successful safety programs", *Journal of Safety Research,* 10(1), pp.5-15.

27   Cohen H and Cleveland R (1983), "Safety program practices in record holding plants", *Professional Safety* (March), pp.26-33, cited in O'Dea and Flin op cit., pp.34-35.

28   See Frick KAJ, Jensen PL, Quinlan M and Wilthagen T (2000), *Systematic Occupational Health and Safety Management perspectives on an international development,* Pergamon, NY.

29   op cit., O'Dea and Flin, p.27.

30   *Ibid*. p.34; Simard M and Marchand A (1997), "Workgroups' propensity to comply with safety rules: the influence of micro-macro organisational factors", *Ergonomics*, 40 (2), pp.172-188.

31   Zeffane R (1994), "Patterns of organisational commitment and perceived management style: a comparison of private and public sector employees", *Human Relations,* 47(8), pp.977-1010.

32   Mearns K, Flin R, Gordon R, O'Connor P and Whitaker S (2000), HSE OTO Report 000 036 to the Offshore Safety Division, *HSE Factoring the human into safety: translating research into practice, Executive Summary for Vol 1 – Benchmarking (OTO 2000 061).*

33   Simonds RH and Shafai-Sharai Y (1977), "Factors apparently affecting injury frequency in eleven matched pairs of companies", *Journal of Safety Research* 9(3), pp.120-127, cited in O'Dea and Flin op cit., pp.29-30.

34   Comcare wrote to state, territory and local government bodies and stakeholders in December 2002 requesting information on any strategies or activities intended to improve OHS and injury management leadership performance in their areas of responsibility. A draft version of this discussion paper and recommendations was considered by stakeholders at a meeting in September 2003. Attachment B provides a list of organisations that responded to the December 2002 letter and that were represented at the September 2003 stakeholder meeting.

35   See for example, O'Dea and Flin, *op cit.*

36   Australian Council of Trade Unions (2002), *Occupational Health and Safety Priorities,* at: http://www.actu.asn.au/data/files/general/ohspriorities2.pdf

37   Letter from Mr Col Gellatly, Director-General, Premier's Department of New South Wales, received by Comcare on 19 February 2003 and in response a request for information about leadership initiatives.

38   Standards Australia, AS/NZS 4804:2001 *Occupational Health and Safety Management System – general guidelines on principles, systems and supporting techniques.*

39   NOHSC (1999), *OHS Performance Measurement in the Construction Industry: Development of Positive Performance Indicators,* at: http://www.nohsc.gov.au/PDF/statistics/opmconppi_report.pdf

40   Comcare (2003), *Positive Performance Indicators – Measuring safety, rehabilitation and compensation performance,* at: http://www.comcare.gov.au/leadership/PDFversions/ppi_combined.pdf

41   Department of the Environment, Transport and the Regions (2000), *op cit.* p.27.

42   op cit., O'Dea and Flin, p.19.

43   Health and Safety Commission (2002), *Directors' responsibilities for health and safety,* at: http://www.hsc.gov.uk/pubns/manindex.htm.

44   op cit., Cohen et al (1975) p.63.

45   O'Dea and Flin, *op cit.*, p.26.

46   Standards Australia, *AS/NZS 4801:2001 Occupational Health and Safety Management Systems – specification with guidance for use,* and *AS/NZS 4804:2001, op cit.* p.70.

47   Commonwealth of Australia (2000), *The guide: Implementing Occupational Health and Safety in Residential Aged Care, Module 1: Establishing and improving OHS systems, p.3,* at: http://www.health.gov.au/acc/manuals/ohs/download/theguide.pdf.

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50   NSW Premier's Department (2002), *Occupational Health and Safety Improvement Standard: A tool for measuring OHS performance within NSW Government agencies,* at: http://www.premiers.nsw.gov.au/our_library/workplace_safety/OHS_standard.pdf

51   Comcare (2003), *Return to Work Management System Assessment,* at: http://www.comcare.gov.au/rehab.html

52   Victorian Workcover Authority (2002) InjuryMAP- *Injury Management Assessment Program,* at: http://www.workcover.vic.gov.au/dir090/vwa/home.nsf/Site+Search/6888405082C10534A256B9500033DE1

53   Australian National Audit Office and Comcare (2001) *Rehabilitation: Managing return to work – A better practice guide for senior managers and supervisors,* at: (http://www.comcare.gov.au/pdf_files/managing_return_to_work.pdf

54   O'Reagain and Keegan R (undated), *Benchmarking explained,* at: http://www.benchmarking-in-europe.com/library/archive_material_articles_publications/archive_psi_articles/expalined.htm

55   Commission of the European Communities (2002), *Communication from the Commission. Adapting to change in work and society: a new community strategy on health and safety at work 2002-2006,* p.13, at: http://europa.eu.int/comm/employment_social/news/2002/mar/new_strategy_en.pdf

56   National Occupational Health and Safety Commission, Worksafe Australia (1996), *Benchmarking occupational health and safety,* at: http://www.nohsc.gov.au/PDF/Standards/BenchmarkingOHS.pdf

57   *Ibid*, Section 1, "What is benchmarking", p.1.

58   Public Accounts and Estimates Committee (1999), *Report on the Inquiry into Annual Reporting in the Victorian Public Sector*, p.xvi, at: http://www.parliament.vic.gov.au/paec/arvps.pdf.

59   Health and Safety Commission (2001), *Safety in Annual Reports*, at: http://www.hse.gov.uk/revitalising/annual.htm

60   Standards Australia, *AS/NZS 4804: 2001*, p.23.

61   Victorian WorkCover Authority (2000), *Occupational health and safety reporting: guidelines for reporting OHS in annual reports,* at: http://www.workcover.vic.gov.au/dir090/vwa/publica.nsf/site+search/3AE594FCFD959D1F4A256AFF0007CB93/$File/OHSreportung,pdf

62   *Taking Safety Seriously,* p. 45.

63   WorkCover, NSW (2001), *Premium Discount Scheme: Incentives for employers to have safer workplaces and better return to work strategies for injured workers, General Guide,* at: http://www.workcover.nsw.gov.au/Publications/pdf/pdsguide.pdf.

64   Comcare, at: http://www.comcare.gov.au/leadership/leadership.html

65   Stokols D, McMahan S, Clitheroe H and Wells M (2001), "Enhancing corporate compliance with worksite safety and health legislation", *Journal of Safety Research,* 32, pp. 441-463.

66   National Occupational Health and Safety Commission (2001), *Effective OHS incentives forum,* at: http://www.nohsc.gov.au/ohsinformation/ohssolutions/presentations/effectiveohsincentivesforum.htm

ATTACHMENT A
SUMMARY OF PRACTICAL TIPS FOR LEADERS

COMMITMENT

> set long-term organisational improvement targets

> as a starting point, adopt the National Strategy targets

> add targets that drive improvements in RTW performance and/or areas of identified risk for your organisation

> set baseline data so that performance improvements can be quantified

> compare your organisation's performance against the National Strategy targets

> develop positive performance indicators at organisational or business unit level

> include OHS and injury management data as part of the organisation's performance measurement framework (for example, balanced scorecard)

> make OHS and injury management a standing item on executive meeting agendas

> consider OHS and injury management implications when developing organisational change and human resource management strategies

> make a senior executive accountable for the effectiveness of the organisation's OHS and injury management systems

> allocate resources to identify, assess and remedy areas of risk

> require line managers to report to the executive on workplace injuries, steps taken to prevent further injury, and the rehabilitation support provided to injured employees

> require your claims insurer and/or injury management service provider to address the executive meeting on your organisation's injury and claim trends and costs

SYSTEMS REVIEW AND IMPROVEMENT

> confirm that workplace OHS and injury management policies and procedures are current, effective and available; make sure leaders in your organisation are familiar with them

> review OHS and injury management systems and audit tools

> engage objective, suitably qualified professionals to conduct in-house audits or reviews, with appropriate employee and employer involvement

> incorporate the scheduling of these reviews into agency corporate governance or audit plans

> include in your staff or organisational climate surveys questions that help to measure and track employee perceptions of safety culture, including perceptions of safety leadership style

> develop a plan to remedy deficiencies identified in the audit processes

> seek professional expertise where needed to diagnose or address areas of risk

> develop an improvement program for your organisation

> speak to your claims insurer and/or injury management service provider about setting up a collaborative project

> identify organisational improvement priorities based on achieving targets and controlling injury risks

> set up a steering committee that includes senior management representatives

> recognise that cultural and attitudinal change may be necessary to improve performance – and that this takes time

> use the NOHSC benchmarking kit to set up benchmarking arrangements within your organisation

> establish performance benchmarks at organisational or business unit level

> establish benchmarking partnerships and/or mentoring arrangements with public sector agencies with similar functions or injury risk profiles, either in your state or territory or another

ACCOUNTABILITY MEASURES

> report organisational OHS and injury management performance in your annual report, including the organisation's performance against National Strategy targets

> clearly specify management's OHS and injury management responsibilities in organisational OHS and injury management policies and procedures

> consider using collective or individual workplace agreements, performance development frameworks and job descriptions to improve management's accountability for OHS and injury management

> introduce financial accountabilities for workplace injury to business units (including, for example, through premium devolution

ACCOUNTABILITY MEASURES

> request briefings on your role and responsibilities in relation to OHS and injury management

> ask your OHS and/or workers' compensation authority for information on OHS and injury management roles and responsibilities

> develop a strategy to address the information and training needs of the organisation's senior managers

> include information about management's role and responsibilities in induction training and management development programs

> use the organisation's intranet or screen savers to reinforce key messages about the role and responsibility of managers

> arrange for updates to be provided to your management group on emerging OHS and injury management issues relevant to your organisation's business

> attend executive functions, seminars and conferences on OHS and injury management issues

INCENTIVES

> include consideration of excellent OHS and injury management performance as part of organisational reward and recognition programs

> look to the winners of state or national jurisdictional awards for case studies of leadership, excellence and innovation

> invite the winners of these awards to address your executive team or safety and injury management program steering committee

> showcase your organisation's excellent leadership and innovation in OHS and injury management by applying for an award

ATTACHMENT B
LIST OF RESPONDENTS

Respondents to December 2002 letter

ACT Workcover

ACTU

Australia Post

Australian Air Express

Ballina Shire Council

Banyule City Council

Baulkham Hills Shire Council

Boroondara Council

Brimbank City Council

Brisbane City Council

Cairns City Council

Canterbury City Council

Chief Minister's Department, ACT

City of Canada Bay Council

City of Casey

City of Greater Dandenong

City of Mandurah

City of Melbourne

City of Sydney

Coomalie Community Government Council

Comcare

Department of Premier and Cabinet, VIC

Dept of Consumer and Employment Protection, WA

Evans Shire Council

Hunter Councils

Hunter's Hill Council

Huon Valley Council

Kyogle Council

(LGA) JLT Workers Compensation, SA

Local Government Insurance Services, WA

Mackay City Council

Manningham City Council

Mornington Peninsula Shire

Office of Public Employment, VIC

Premier's Department, NSW

Department of Industrial Relations, QLD

Quirindi Shire Council

Ravensthorpe Council

Redcliffe City Council

Reserve Bank of Australia

Shire of Busselton

Swanhill Rural City Council

Tamworth City Council

Tasman Council

Telstra

WA WorkCover

Organisations represented at September 2003 meeting

Australian Air Express

ACT Government

ACTU

Australian Public Service Commission

Boroondara City Council

Casey City Council

Comcare

Department of Industrial Relations, QLD

Local Government Insurances Services, WA

Manningham City Council

National Occupational Health and Safety Commission

Reserve Bank of Australia

Office of Commissioner for Public Employment, SA

Victorian WorkCover Authority

WorkCover New South Wales