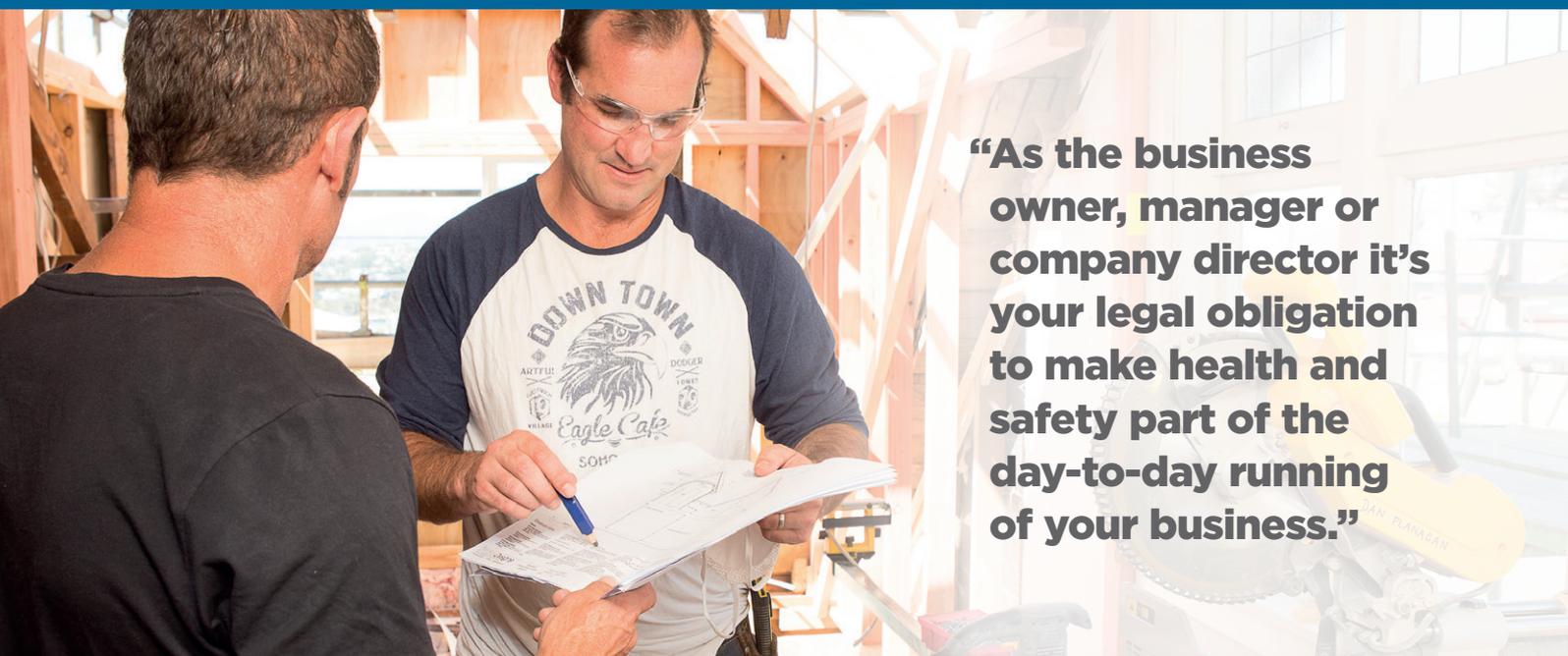




HEALTH AND SAFETY LEADERSHIP

A guide for small to medium business owners and company directors



“As the business owner, manager or company director it’s your legal obligation to make health and safety part of the day-to-day running of your business.”

Health and safety is an essential part of running a business. Whatever your line of work, whatever your business structure, having a health and safety plan is important. Putting it into practice every day will keep your team safe, reduce your risk, and may reduce costs.

Health and safety is particularly important for small to medium enterprises (SMEs). Evidence suggests that in any particular industry, SMEs are less safe than larger businesses.

A positive health and safety culture is part of a broader organisational culture of mutual trust and respect where everyone works together. Workers are likely to be more productive when they know they can trust that you will listen to their concerns.

Good health and safety practices give you peace of mind. This is important for smaller companies, as they may find it hard to recover from serious health and safety incidents. This guide is for directors, owners and managers of small-to medium-sized businesses. It’s designed to give you an overview of the most important things you need to know and do about health and safety. For more specific and detailed advice relevant to your business it’s a good idea to look at the guidance prepared by WorkSafe on how to manage risks in your industry. You can also seek the help of a professional health and safety practitioner.

The legal low-down

The main legislation governing workplace health and safety in New Zealand is the Health and Safety at Work Act 2015 (HSWA) and regulations made under HSWA. Other legislation you need to be aware of includes the Accident Compensation Act 2001, the Employment Relations Act 2000 and the Hazardous Substances and New Organisms Act 1996.

WHAT IS A PCBU?

HSWA places health and safety duties on 'persons conducting a business or undertaking' (PCBU). 'PCBU' is a broad term that covers many ways of doing business including in the not-for-profit sector. A PCBU can be a business entity such as a company (legal person), or a natural person. A natural person might be a PCBU if they are a sole trader, partner or a self-employed person.

THE PRIMARY DUTY OF CARE

A PCBU must, so far as is reasonably practicable, ensure:

- › the health and safety of workers who work for the PCBU, while they are at work in the business or undertaking
- › the health and safety of workers whose activities in carrying out work are influenced or directed by the PCBU, while they are carrying out the work
- › that the health and safety of other persons is not put at risk from work carried out as part of the conduct of the business or undertaking.

This means organisations should consider and plan for the health and safety of employees, contractors, sub-contractors, visitors, customers and people whose health and safety could be affected by the organisation's work.

PCBUs must, so far as reasonably practicable:

- › provide and maintain a work environment, plant, structures and systems of work that are without risks to health and safety
- › ensure the safe use, handling and storage of plant, structures and substances
- › provide adequate facilities at work for the welfare of workers, including ensuring access to those facilities
- › provide information, training, instruction or supervision necessary to protect workers and others from risks to their health and safety
- › monitor the health of workers and the exposures at the workplace for the purpose of determining the effectiveness of control measures.

Remember, a self-employed person is a PCBU and must also, so far as is reasonably practicable, ensure his or her own health and safety while at work.





ENGAGING WITH WORKERS

Engaging with workers is an important element of health and safety management. HSWA recognises this by requiring PCBUs to engage with workers on health and safety matters. If a matter might affect your workers' health and safety then you will need to engage with them about it.

Engagement means giving workers information about the decision you're thinking about making or the issue that you're trying to resolve, and a real chance to provide input into your decision-making. This includes giving them the opportunity to raise health and safety concerns about that issue. Workers' views need to be taken into account and then workers need to be advised of the outcome in a timely manner.

WORKER PARTICIPATION

PCBUs must have practices that provide reasonable opportunities for workers to participate effectively in improving work health and safety, on an ongoing basis. Participation practices can be flexible - you and your workers should choose a participation model that works for your business.

Worker participation practices can be directly with workers or through representation. Electing health and safety representatives and forming health and safety committees are two well-established methods of representation that may work for your business and your workers.

DIRECTORS' DUTIES

HSWA places a duty on the officers of a PCBU to exercise due diligence to ensure that the PCBU complies with its duties under HSWA.

Some examples of officers are:

- › if the PCBU is a company, company directors (even if they don't have 'director' in their title)
- › if the PCBU is a partnership, any partner
- › if the PCBU is a limited partnership, any general partner
- › if the PCBU is a body corporate or unincorporated body, any person comparable to a director
- › any person who holds a position that allows them to exercise significant influence over the management of the business or undertaking (eg the chief executive).

If you own or run a small business you are very likely to be an officer.

The duty to exercise **due diligence** requires an officer to take reasonable steps to:

- › know about work health and safety matters and keep that knowledge up-to-date
- › gain an understanding of the nature of the operations of the organisation and the hazards and risks associated with those operations
- › ensure the PCBU has appropriate resources and processes to eliminate or minimise those risks and uses them
- › ensure the PCBU has appropriate processes for receiving and considering information about incidents, hazards and risks, and for responding to that information in a timely way
- › ensure there are processes for complying with any duty, and that these are implemented
- › verify that these resources and processes are in place and being used.

As an officer you are personally liable if you are found guilty of failing to meet your due diligence duty. The maximum penalty for a serious breach, if it involves reckless conduct that exposes an individual to a risk of death or serious injury, is five years in prison or a \$600,000 fine, or both.

WorkSafe New Zealand has the principal responsibility for ensuring workplaces abide by the law. For more information on HSWA and industry specific health and safety advice, see the [WorkSafe website](#).

Protect your people and your business

If you're running your own business, chances are you know it's your responsibility to keep your people safe, but what exactly does that mean?

Put simply, health and safety is about keeping people safe by identifying and managing the risks in your business - the things that, touch wood, won't, but could go wrong.

Get started

It's easy to get started on developing a health and safety plan for your business. Here are three steps that will help guide you.

The three steps are a cycle, so once you've put the plan in place you need to be ready to review it regularly or when something goes wrong.



LEAD FROM THE FRONT

The highest tier of leadership in your business, whether it's a board or a management team, or you as an owner-operator, play a crucial role in establishing good health and safety in your business.

It's up to you and your leadership team, if you have one, to create a positive culture. Establish clear procedures that help your workers to know 'how we do things around here'. For health and safety procedures to be effective, your workers need to know about them and understand them. You need to engage your workers in the development of these procedures (Health and Safety Representatives and Committees can have a particular role in this). Health and safety policies should be practical and auditable.

All businesses should have a workplace health and safety plan, regardless of their size and structure. If you are an officer (for example a director), you are also responsible for ensuring that the plan is effectively implemented and reviewed.

"I believe the role of the CEO and directors in health and safety is to set the values and to lead by example."

Peter Clark, CEO PF Olsen

1. Assess

The first step in developing your health and safety plan is to know where you are starting from. You may already have a plan, or just know the way that things are generally done. It's time well spent to get your team together and involve them in identifying the hazards and risks in your business. Get them to think about how to manage them and continuously improve safety.

You can start by asking these types of questions:

- › Could anyone be injured or become ill if something goes wrong from the work we do?
- › What hazards could harm our workers, suppliers, customers or other people?
- › Do we have any workplace risks that have a low probability of occurring but would harm our people or other people if they did occur?
- › What processes do we currently have to eliminate or minimise these risks? Do we monitor how effective our processes are?
- › Are we good at recording and investigating work-related injuries, ill health and near-misses to find out how they were caused and ensure they don't happen again?
- › Have we contacted our industry body or union for advice about health and safety legislation, regulations and best practice that relates to our business?
- › Have we considered what types of emergencies could affect our workplace? Have we developed plans for how to manage in an emergency?

TYPES OF WORKPLACE HAZARDS

PHYSICAL HAZARDS

Things that can cause physical harm, like moving machinery, falls from heights or lifting heavy objects. Some of these hazards may cause injury very slowly like equipment with poor ergonomics.

ENVIRONMENTAL HAZARDS

Things in the environment that could cause injury or ill health, like hot or cold temperatures, poor lighting, or uneven ground.

HAZARDOUS SUBSTANCES

Things such as asbestos or chemicals that could cause health issues such as cancer, fertility problems and even death.

SOCIAL HAZARDS

Such as work-related stress, overwork, long hours, inadequate breaks, or bullying.

BIOLOGICAL HAZARDS

For example bacteria and viruses that cause ill health.



2. Commit

Your health and safety plan is just a piece of paper unless you and your team commit to it. That means demonstrating your commitment and leading by example so that your people also know and care about it. If you have workers, involving them in managing health and safety will help to embed it in your company culture. The effectiveness of your plan rests with you and the people in your business who are out there doing the work on the front line.

How to commit to best practice health and safety:

- › Develop a health and safety plan that's easy to understand.
- › If you already have a plan, ask your workers what they think of it. Is it still relevant? Is it meaningful to them? Does it work to keep them safe? Does it support your company culture? If not, take it back to the drawing board.
- › Identify how your plan will be monitored and measured. How will you know you're on track?
- › Share your plan with all new workers. As a person in charge at work, you're responsible for the safety of all workers working there, including contractors, and for visitors to your workplace.

A health and safety plan should have the following components:

- › Procedures for identifying workplace risks and plans for eliminating, or minimising them (including the involvement of workers and their representatives).
- › Procedures for monitoring your workers' health and exposure to risks that can't be eliminated.
- › Training records that show that everyone knows what risks they might be exposed to, and how they can keep themselves safe.
- › A process for engaging workers on health and safety matters that may affect them.
- › Opportunities for workers to participate in health and safety decision making.
- › Information on what to do in an emergency, including workplace incidents and natural disasters.
- › Procedures for recording and investigating workplace injuries, near-misses and work-related ill health.
- › A process for reporting notifiable events to WorkSafe.
- › Health and safety inductions for all new workers.
- › A process to review the health and safety plan at least once a year or if a major safety-related event happens.

3. Act

There's no point having a health and safety plan unless you act on it. The plan needs to become a part of your everyday business practice and be followed by everyone. It helps to have achievable and measurable health and safety targets that will help you and your workers to stay on track.

How to put your plan into action:

- › Lead by example.
- › Have clear targets that everyone understands, such as reducing the number of injuries or near-misses.
- › Run regular activities to keep health and safety top of everyone's mind - think safety training courses or having a practice emergency drill.
- › Keep accurate health and safety records, such as risk registers, incident investigations, notifiable events and training records.

- › Act quickly if there are signs of health or safety issues.
- › Involve your team – give people reasonable opportunities to participate in health and safety.
- › Include health and safety in regular meetings.
- › Review and update your plan regularly.

KEEP ON TOP OF THINGS

Monitoring health and safety goals and reporting issues will help you know you are effectively managing risks. Directors, managers and owners in your business should receive regular reports on:

- › injuries, incidents and work-related ill health
- › newly-identified hazards and associated risks
- › absence rates due to general sickness (often an indication of stress or fatigue)
- › injury and ill health leave related to work
- › results of exposure monitoring such as noise levels or chemical exposure.

It is important to identify the root causes of incidents and put an effective response in place. When looking for root causes, look closely at systemic factors such as training, workload or performance stress. Involve your workers and line managers in this process.

A HELPING HAND

Some businesses choose to get help from qualified health and safety experts. An external audit or system review can bring an independent perspective as well as identifying any weaknesses in your processes and systems. To get the most out of reviews, document the key findings and use them to guide improvements.

You can find information about choosing a health and safety professional on the [Health and Safety Association of New Zealand's](#) website.

Note: While you can seek advice from experts and get help to plan and manage health and safety you cannot contract out of your duties under HSWA.

The government can provide help, too. WorkSafe and the Accident Compensation Corporation have a lot of free workplace health and safety resources that you can access on the internet. Visit the health and safety section of [business.govt.nz](#), [iod.org.nz](#), [acc.co.nz](#) and [worksafe.govt.nz](#).

Good health and safety systems

Good health and safety systems have:

✔ GOOD LEADERS

Clearly communicate your health and safety goals so everyone's in the loop, and lead by example.

✔ RISK SMARTS

Identify all the workplace hazards and associated risks in your business, and work out how to control these risks by eliminating and minimising them.

✔ HEALTH AS WELL AS SAFETY

Make sure your system focuses on good health not just safety. Your processes should identify, control and monitor risks to worker health.

✔ EMERGENCIES SORTED

Identify all potential emergencies and work out how to manage them. Share the plan with your team and test it regularly.

✔ REPORTING PROCESSES

Have clear processes for reporting and investigating injuries, incidents, near-misses, hazards and exposure and health monitoring results to work out what caused them, so you can stop them happening again.

✔ CARE FOR PEOPLE

Ensure your workers receive proper treatment and rehabilitation if they have an injury or ill health at work. Remember their families.

✔ WORKER ENGAGEMENT

Make sure that you have a process to ensure that you involve your workers in all decisions that relate to their health and safety and that you take their input seriously.

✔ WORKER PARTICIPATION

Get your team actively involved in all aspects of your health and safety plan, including identifying risks, investigating incidents, and taking part in training and ongoing planning.

✔ CONSTANT IMPROVEMENT

Your business will change with time and so should your health and safety plan. Set time aside each year to continually look for ways to improve and adapt your health and safety plan to your changing needs. You may also need to revise your plans if it becomes clear that something is going wrong.

✔ RESOURCES AND TRAINING

Make sure you have the right resources (think equipment, plant, budget, time, people, and training). It's your responsibility as a director, owner or manager to ensure your people are trained to do their job safely. Don't be tempted to skimp here - it's just not worth the risk.

"Health and safety teaches you a lot about leadership. It's taught me that my first duty of care is always to my employees."

Cos Bruyn, CEO Downer NZ