TRANSITIONING TO AS/NZS ISO 45001:2018
Is It Worth the Effort?

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The current landscape

• AS/NZS 4801:2001
  • Combination of AS 4801:2000 and NZS 4801 (Int):1999 standards
  • Established a framework for auditing OHSMS internally and by third parties

• Australia and New Zealand published AS/NZS ISO 45001:2018
  • Identical to its international counterpart
  • Superseded AS/NZS 4801:2001

• Organisations certified to AS/NZS 4801:2001 must:
  • Transition to 45001 by September 2021
  • Migrate to 45001 by July 2023, if affected by regulatory obligations
The aims of 45001

- Place safety at the centre of organisational principles and strategy
- Facilitate a proactive and contextualised risk management approach
- Ensure the maintenance of an effective OHSMS
- Application to organisations of any size
What we will discuss today

• Comparison between 4801 and 45001
  • their major differences
  • the importance of those differences based on literature
• Practicalities according to industry sources
  • The transitioning process
  • Anticipated challenges
  • Expected benefits
The differences and relevant studies
OHSMS models

AS/NZS 4801:2001

AS/NZS ISO 45001:2018
Major difference 1: Context

4801: OHSMS appropriate to the nature and scale of organisation's risks

45001: assessment and understanding of internal and external context

• Appreciation for all factors that may impact achievement of objectives
  • Legal demands and market conditions
  • Needs of all internal and external stakeholders
  • Internal influences, such as workforce training effectiveness or production pressures

• Guidance to shape the scope and boundaries of the OHSMS
Why context?

• Doru-Costin et al. (2017): organisations must address emerging risks such as globalisation, the ageing population and changes in contractual relationships

• Taylor et al. (2011): four principal domains of patient safety practice
  • Safety culture, teamwork and leadership involvement
  • Structural and organisational characteristics such as size, complexity or financial status
  • External factors such as financial or performance incentives or respective regulations
  • Availability of implementation and management tools such as training resources or internal organisational incentives
Major difference 2: Management commitment and leadership

**4801**: management could delegate their responsibility for OHS to a representative

**45001**: tasks top management with thirteen (13) responsibilities in creating, facilitating, maintaining, evaluating and promoting the OHSMS

- Responsibility and authority may be delegated
- Top management remains ultimately accountable
Why management commitment?

• Mahmoudi et al. (2014): OHS issues on a project level were heavily influenced by decisions made at the management level

• Ghahramani (2016): senior management's commitment was the most influential factor for OHSMS effectiveness

• Pillay (2019): if commitment decreases after the initial implementation, an OHSMS can become largely a paper-based and superficial system
Why leadership?

- Fruhen et al. (2014): leadership has one of the most significant impacts on OHS performance
- Yorio et al. (2015): OHSMSs are more likely to be effective when leaders demonstrate consistently various qualities (e.g., trust, honesty, fairness, empowerment, integrity)
- Clarke (2013); Griffin & Hu (2013): combination of transformational, transactional and servant leadership styles can enhance worker participation and OHS compliance
Major difference 3: Worker participation and engagement

45001: many more provisions for worker consultation and engagement with the OHSMS across all organisational levels

• Ensure workers remain involved and contribute to OHS within an appropriate and encouraging environment

• Requirements to reduce worker participation barriers
  • Participation must not be undermined by the domination of management
  • Provision of time, training and all necessary resources
Why participation and engagement?

- Lynley (2018): regulators increasingly require employers to consider actively the views of employees on OHS matters
- Bornstein & Hart (2016); Masso (2015); Mylett & Markey (2007): worker participation provides a defence for organisations to proactively identify, solve and report local OHS problems
- Gunningham (2008); Yorio et al. (2014): workers are more likely to commit to OHS solutions when actively involved in their design and become co-owners of OHSMS
- Vance (2006): a beverage company saved $1.7 million in OHS-related expenses by improving worker engagement
- Raines (2011): engaged workers were 5 times less likely to have an adverse safety event, and 7 times less likely to have a lost-time safety event than their non-engaged colleagues
Major difference 4: Staff development

4801: emphasises training to gain competency

45001: focuses on acquiring and maintaining competency without mentioning particular paths

• Dissociates training as the principal means to reduce risks
• Objective to increase worker competencies, developed partially through training
Why staff development?

• Ghahramani (2016); Neag et al. (2020): worker participation barriers include lack of skill and knowhow, unfamiliarity with the need for involvement or shortage of information about positive impacts of OHS participation

• Pillay (2019): subcontractors and casual workforce are not always sufficiently familiar with workplace policies and procedures. They possibly have lower levels of skills and training with a reduced ability to recognise hazards and risks

• Gallagher et al. (2016): companies shift from permanent to part-time employment or a contractor model to achieve business goals. These models often contribute to a workforce undertrained, less engaged, and less likely to participate in consultation regarding OHS
Major difference 5: Integrated Risk-Based Management

45001: organisations must determine known and emerging hazards, changes of previously identified risks due to new or unfamiliar conditions, and elevated risks from increased exposure to or seriousness of health effects

• Changes are not hostile by default

• Consideration of OHS risks impacting other interested parties: vendors, suppliers, contractors, the general public and even other companies located near the facility
Why Integrated Risk-Based Management?

• Doru-Costin et al. (2017): new and emerging risks include rapid advances in technology and processes, climate change, increased globalisation, changes in social perceptions, psychosocial factors and mental health and the ageing workforce

• Brocal et al. (2019): processes eliminating known risks can inadvertently generate new and different risks

• Purwanggono et al. (2018): proactive process to identify hazards and risks through foresight
Major difference 6: Continual improvement

4801: focuses on system functions
- Emphasises improvement through internal and external audits
- Focuses on establishing documented procedures

45001: integrates monitoring, measurement, analysis and performance (self)evaluation, internal audits, and management reviews
- Priority to processes over documented procedures
- More guidance on compliance assessment: frequency and methods
- Greater emphasis on monitoring worker consultation effectiveness
- Responses to incidents or nonconformities might also suggest changes in the OHSMS
Why Continual Improvement?

• Schmidt et al. (2014); Williams (2020): the Plan-Do-Check-Act (PDCA) improvement cycle, which underpins 45001, has become part of many successful quality programs

• Reed & Card (2016): learning whether an intervention, policy or procedure works in a particular setting and applying informed actions or adjustments to increase the chances of delivering and sustaining the desired improvement

• Reed & Card (2016): the success of PDCA is measured by its ability to enable users to achieve the intended objectives and identify those objectives that cannot be achieved under realistic constraints of resources, cost and complexity
Major difference 7: Culture

4801: no reference

45001: found in 10 places

- Organisational culture is integral to understanding the context of the organisation and underpins the successful implementation of the OHSMS
- Consideration of psychosocial hazards, work systems, leadership, and worker protection from repercussions when reporting OHS matters illustrate the central role of organisational culture in OHSMS
Why (Safety) Culture?

• Kim et al. (2016): positive safety culture is a prerequisite for an effective OHSMS
• Strauch (2015): consideration of safety culture during the investigation of OHS events
• Shirali et al. (2012): safety culture as a proxy to assess system resilience
• Roughton (2002): the role of leadership in developing an influential safety culture
Overview

• The foundation elements of 4801 remain within 45001
• 45001 brings or elaborates seven (7) areas: context, management commitment and leadership, worker participation and engagement, staff development, integrated risk-based management, continual improvement and culture
• Several publications confirm those areas are necessary and influential for an effective OHSMS and central OHSMS enablers, especially when applied concurrently
• 45001 promotes a combination of systematic management and systems thinking
The practicalities
Transition: Preparation

- Analysis of the organisational OHS context
- Scope of the OHSMS: inclusions and exclusions
- Development/adjustment of OHS policy and objectives
- Possible legal implications for the OHS policies and procedures
- Time frame and plan for the implementation of the new standard
- Identification of competence needs
- Identification of gaps within the available resources
- Does certification in 45001 need to be obtained?
Transition: Engagement

• Adequate communication across all stakeholders
• Vertical and horizontal communication internally to collect diverse ideas and suggestions
• Workers to be consulted regarding training needs and OHS objectives, hazards and controls
• Everyone must understand:
  • why changes are introduced
  • their role in enabling those changes
  • how they can participate in OHSMS and contribute to its success
Transition: Action

- Management actively committed to OHS as an organisational priority
- Time, resources and information available before finalising rules, regulations and policies
- Hazards and risks to be identified as early as possible across all organisational levels
- Training must be provided before and during the implementation
- Periodical reviews of OHS policy and objectives, audits and risk assessments, performance reviews and general feedback
Anticipated challenges: internal

• Unfamiliarity with ISO standards
• Limited previous knowledge on OHSMS
• Limited resources to seek external assistance, if needed
• Management may be reluctant to invest the effort and resources required
• Workers may show resistance to their increased responsibilities for OHS
• Highly systematic approaches might generate increased bureaucracy and documentation
• Gaining and maintaining certification may come at a significant financial cost
Anticipated challenges: internal & external

• Regulators must familiarise themselves with 45001
• 45001 standard adopts a principles-based approach to OHSMS by focusing on guidelines:
  • Greater flexibility
  • More uncertainty around compliance
  • Does compliance with 45001 demonstrate legislative compliance?
• Unintended non-compliance to 45001 due to confusion and different interpretations of terms and definitions
Expected benefits: inwards

- Integration with other management systems
- Systematic approach to assess, monitor and review OHS risks, opportunities, and legislative compliance obligations
- Reduction of risks, incidents, accidents and diseases with respective cost savings and reduced insurance premiums
- Positive safety culture, decreased complicity and better work environments through leadership commitment and worker engagement
- Increased staff morale, retention, motivation and satisfaction
Expected benefits: outwards

- Positive corporate image and maximum possible satisfaction of all stakeholders
- Demonstration of compliance through the systematic elimination or minimisation of known risks
- Increased credibility level through certification
- Market competitiveness in the global economy
Summary

• 45001 represents a collection of elements to support moral and legislative obligations and improve OHS

• Organisations must be creative: choose any path suitable and meaningful to design, implement and improve its OHSMS

• Organisations should no longer see themselves secluded from other OHS stakeholders and must accept additional responsibilities to promote OHS across their partners and supply chain

• The choice to transition to the new standard relies more on management’s commitment to OHS through the adoption of industry best-practice

• Businesses must assess the investment required, the possible challenges within their context and the promised benefits
Final remarks

• The OHSMS must not be seen as the destination; it is a vehicle to support OHS
• OHSMS documentation and enforcement without integration with other organisational systems will probably render it ineffective and an unfavourable burden
• Top management will have to reconsider its position and efforts to maintain the OHSMS based on its ability to connect with employees and attain their full participation
• The relationship between worker participation and top management in 45001 is seen as symbiotic in nature and representative of a mature organisational and safety culture
Thanks for listening!

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