Implementing
Occupational Risk
Management

IMPLEMENTING OCCUPATIONAL RISK MANAGEMENT GUIDANCE

WORKERS' COMPENSATION
MANAGEMENT BUREAU

INTRODUCTION

The Workers Compensation Management Bureau, within the Department of Administration, developed this guidance to assist State of Montana agencies in implementing the occupational risk management element of their safety programs. It explains why every organization should manage the risks to employees in the workplace and offers how it can be done. Other Montana governmental employers or private sector employers should consult with their own safety consultants prior to applying this guidance to their worksite locations to ensure conformity with applicable laws and standards.

WHAT IS OCCUPATIONAL RISK MANAGEMENT?

Occupational risk management is part of a larger risk management strategy that an organization can implement to manage the risks to employees from hazards in the workplace. It relates to the work we do every day and the tasks related to our jobs. The inherent risk that may come with what we do. For example, the risk related to climbing ladders. The chance high or low of falling from the ladder and the potential severity of loss, harm, or damage.

We are not looking at other risk impacts such as financial. Every accident has a financial impact, but the focus here is foreseeing and preventing injuries, through the assessment and mitigation of the risks to employees.

Occupational risk management is a proactive approach that analyzes new and existing tasks to identify hazards and the risks to employees from those hazards. It identifies sensible measures to control the risks in the workplace and worksites to prevent loss, harm or damage to employees and assets.

An occupational risk management program is a top down supported, bottom up approach, that is driven by managers to actively mitigate risks in the work areas and involves employees, subject matter experts, third parties such as contractors and procurement of goods, equipment and services which may affect employees, contractors, and anyone who could be affected by the work being completed.

It is a process that is reviewed regularly to ensure sustainability and continuous improvement.

WHY IMPLEMENT AN OCCUPATIONAL RISK MANAGEMENT PROGRAM?

Occupational risk management is a fundamental and critical part of managing the safety of employees. It is not enough to only adhere to compliance; compliance is the base safety program.

When integrated into the workplace, assessing the risk to employees from the hazards in the workplace gives employees ownership of their own safety and the safety of others. It gives employees the ability to assess the risk from a work area or task not only in the work area but also while travelling or working on third party sites.

Risk management helps the organization understand where the potential for harm may be and to take action to eliminate or control the risks before work even starts. It can also be used to assess the potential for loss, harm or damage when managing projects, purchasing products or services as well as managing existing tasks.

It helps to engrain safety into the mindset of employees, improving the safety culture of the organization and preventing injuries through knowledge, understanding and ownership.

There are other benefits too.

- Helps to foresee and prevent injury.
- Reduces insurance premiums.
- Reduced costs from lost work time.
- Reduces cost of asset replacement or repair.
- Extends the life of equipment.
- Improves overall reputation of the organization.

THE LAW

Montana is under federal OSHA jurisdiction which covers most private sector workers within the state. State and local government workers are not covered by federal OSHA. However, the Montana legislature enacted the Montana Safety Culture Act (MCA 39-71-1505) which provides rulemaking authority and defines the requirements of a Health and Safety program for state and local governmental employers. The Montana Department of Labor and Industry adopts a safety code for every place of employment conducted by a public-sector employer. This safety code adopts by reference the following occupational safety and health standards from the federal Occupational Safety and Health Administration Act, (Code of Federal Regulations, as of July 1, 2014, Title 29, Parts 1910 and 1926).

The Montana Safety Culture Act requires management to implement an effective safety and health program and to communicate its commitment to the safety and health of its employees as an organizational goal. For employers with more than 5 employees, this commitment requires development of policies and procedures that assign specific safety responsibilities and safety performance accountability. Procedures should outline the steps to report, investigate and take corrective action of work-related incidents, injuries, fatalities and known unsafe work conditions. This requirement for safety policies and procedures mirror the requirement outlined in federal OSHA for private sector employers.

RISK, HAZARD & COMPLIANCE

Compliance is adherence to a set of rules, regulations, and policies. It is the base element of a safety program and aligns with the risk element of a safety program. It protects employees by introducing rules, that when adhered to, will create an environment which identifies hazards. It includes rules relating to the identification and management of the hazards, training, processes, and work site conditions. It does not account for the human element which may change the potential for harm from those hazards by changing the environment. It also does not account for the changes in compliance from outside factors.

Risk assessment evaluates the potential for harm, loss, or damage, considers the compliance element by identifying the hazards and the existing controls. In addition, it assesses all people who may be harmed by the work, including contractors, employees who may be visiting contractor sites, members of the public, young workers, vulnerable people, and temporary employees.

It is a careful examination of what, in your work, could cause harm to people, so that you can evaluate whether you have taken enough precautions or should do more to prevent loss, harm or damage. Assessments can be completed at any time, before work commences, during work and as a situation arises.

A hazard is something with the potential to cause loss, harm, or damage.

OCCUPATIONAL RISK MANAGEMENT IMPLEMENTATION

Introducing new processes and programs into an organization takes teamwork. It is crucial everyone understands their role and responsibilities, that they are defined, are given the correct resources and tools, that they are accessible and available, and are given training. Work together and plan your implementation process. Ensure you have everything needed. Employees who understand what is expected of them and who have everything they need to get the job done, gives the program implementation the best chance of success.

If you have a large organization then a phased implementation may work better when implementing a program. Dividing your organization into areas or smaller groups will help in deciding where to start. Consult with leadership and managers on where this could be. A smaller group improves the effectivity of communication and implementation and is easier to manage. For example, a workshop, office, warehouse, small construction project, introduction of new equipment and its proper use.

A phased implementation can help:

- Perfect the process.
- Avoid misunderstanding.
- Set realistic and achievable goals.
- Obtain feedback.
- Involve all employees in the area.
- Address challenges more quickly and efficiently.

ROLES & RESPONSIBLITIES.

Leadership and management are vital to success when implementing an occupational risk management program into the workplace. Leadership show the way and ensure efforts stay focused. Without their commitment, the program implementation could be inconsistent, not capture all areas of the organization and will not be supported by others. Obtaining commitment from leadership is the first step to implementing a program.

Management organizes the workforce to achieve the direction set by leadership. They are key to the assessment of occupational risk, they work with the safety person, subject matter experts, contractors, and employees to ensure the assessment of risk happens. They are integral in the process, helping identify risks from current work and future projects. Where leadership shows the way, management coordinate the journey.

Employees assist in identifying and mitigating the risks in a work area. Employees, work with the managers, contractors' employees, safety person and subject matter experts to complete the assessment of risks in the workplace. They are crucial in identifying the risk from the work that they do, they understand better than anyone what happens daily.

POLICY

The policies of an organization are a key tool in setting the direction and compliance in an organization. It is your organizations guiding document. It should not be a long-complicated document, but simple and easy to understand. It sets out what you intend to do to manage occupational risk in the workplace. It helps to create a consistent approach by providing employees with the information they need to comply with the policy requirements. It should be an integral part of the organizations culture, values, and performance measurement. It is a living document that is reviewed and amended to reflect changes in the law, the organization, after an incident or policy violation.

Communicate with leadership on the content of the policy. The document should reflect the leaderships wishes and adherence to regulation. Consult with the safety committee and finalize your policy.

The occupational risk management policy should include:

- The purpose of the policy.
- The scope.
- Responsibilities.
- Requirements of the occupational risk management program.

COMMUNICATION, TRAINING, AND INFORMATION

Investment in training for employees gives them the understanding to achieve the goals of the organization. It creates consistency across the organization, defines what is required, how it is to be done and allows employees the freedom to work unsupervised as they have the knowledge to complete the task. For example, would you fly with an untrained pilot or would you prefer a trained one?

Decide what information and training is required for employees and managers to implement and maintain a workplace risk assessment process.

It is vital all employees understand the difference between risk, hazard, compliance and how to assess risk. Content of the training should answer questions and provide information on:

- What is the policy and occupational risk?
- Why it is important to implement an occupational risk management program?
- The occupational risk management implementation plan.
- The occupational risk assessment process.

It is important all employees understand this is not one person's responsibility. It is a collaborative effort supported by leadership to assess the risks to employees from the hazards in the workplace.

RISK ASSESSMENT

A risk assessment has 3 purposes:

- identifying what could cause injury or illness in your organization (hazards)
- decide how likely it is that someone could be harmed and how seriously (the risk)
- take action to eliminate the hazard, or if this is not possible, control the risk

Key points of an assessment

- Assessments must be adequate. They must be sufficient to guide employers' judgements about the measures they should take to fulfil their legal obligations.
- Assessments must cover all the risks to the health and safety of employees to which they are exposed at work.
- Assessments should cover risks to non-employees who may be foreseeably affected by what the employer does (e.g. contractors, visitors).
- A review is advised when there are changes to a workplace, new equipment, or an accident. Regular reviews are part of good management practice.
- Where groups of employees are especially at risk, the groups must be identified as part of the assessment (e.g. new employees, disabled employees.
- How far an assessment proceeds beyond a commonsense estimate of hazards and situations will depend on the complexity of the work and the degree of risks present. (e.g. a nuclear facility versus a warehouse)

Decide who to involve

We evaluate risk every day. An example of this is driving. When driving we make decisions based on experience, regulations, the vehicle capabilities, are own capabilities, the speed of our own and other vehicles, time, and many other factors. We decide it is safe to move and what action we will take to avoid an accident.

We can evaluate risk informally and formally.

- Informal   – Self-assessment of risk.
- Formal   – A written assessment.

There are factors which impact our self-assessment of risk.

- Experiences   - everything that we have learned, witnessed, encountered, or experienced directly in our lives. (e.g. unique events and/or reoccurring situations.)
- Environment   - situation or surroundings that can change or influence our behavior.
- Peers   - coworkers, supervisors, or role models.
- Self-Explanation   - how we explain things to ourselves.

As we all evaluate risk differently it is important to include others, especially those that are doing the work. We need to decide, prior to completing an assessment, who to include:

- Employees completing the work.
- Subject matters experts.
- Supervisors and managers.
- Contractors.

Risk assessment documentation

The documentation for a risk assessment must be clear to everyone. It must be communicated to all employees, contractors and where possible, to people who may be affected by the work.

Ownership of actions arising from the assessment must be assigned.

Outstanding actions that cannot be addressed at the time of the assessment or would create an unsafe condition must be escalated to management, safety person, and or safety committee.

Documentation must contain information on:

- Title
- Site/area/location.
- Method Statement/Description - Describe the task/activity listing its key elements in sequence.
- Other applicable risk assessments
- Existing controls – Training, inspections.
- Additional controls – Pre-work checks, two-man job, communications.
- List of hazards – Electrical, ergonomic, falling objects.
- Description of hazard, where it exists, what could be its impact & potential harm?
- Who may be harmed – Employees, contractors, visitors.
- Risk Rating – Risk matrix, likelihood of event and the severity of harm- low, medium, high.
- List of further actions to mitigate risk with assigned owner to complete.
- Sign off.
- Additional comments.

FURTHER GUIDANCE

OSHA Recommended Practices for Safety & Health Programs

https://www.osha.gov/shpguidelines/management-leadership.html#ai1

Department of Labor & Industry Montana
http://erd.dli.mt.gov/safety-health

Montana Safety Culture Act
http://erd.dli.mt.gov/Portals/54/Documents/Safety-Health/Safety%20Culture%20Act.pdf?ver=2016-09-07-104121-863http://workerscomp.mt.gov/Safety-Resources

Workers Compensation Management Bureau/Health & Safety

http://workerscomp.mt.gov/