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● Management standards and certification

proven to significantly increase performance
throughout an organization



By Royal Charter



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Foreword

Individual organizational measures and related feedback support the idea that management systems standards can have a positive effect within an organization. But, until recently, there was little independent, empirical research to prove whether adhering to an international standard actually improves business performance.

A new joint study conducted by scholars at Harvard Business School and Duke University has changed this. Using proprietary data from some of the world's largest certification companies and injury microdata from the U.S. Bureau of Labor Statistics, the Harvard-Duke team has released research specifically focused on the impact of internationally-recognised standards – in this case occupational health and safety management systems on businesses in the United States.

Over a series of webinars to mark World Day for Safety and Health at Work, which falls on 28th April 2022, Kate Field - Global Head of Health, Safety and Well-being at BSI – spoke to industry experts to discuss what this research means when taken alongside BSI's own data.



Kate Field (BSI)



**JC Sekar
(ACuiZen Technologies
Singapore Pre Ltd)**



**Micheal Toffel
(Harvard Business
School)**



**Micheal Tooma
(Clyde & Co. Clyde)**



Dave Meyer (BSI)

Proven injury reduction benefits from health and safety management systems

“For every establishment that got certified, we found another one that was similar to them that didn’t get certified. We then looked several years back at their annual safety performance, and then looked several years after the certification point to see if there is a difference in trends. The answer is yes, Certification leads to a 20% decline in the number of injury and illness cases”

Michael Toffel, Professor,
Harvard Business School

A health and safety management system is a set of principles and processes that helps organizations prevent accidents, injuries and other adverse consequences. Occupational health is a critical part of this but, until now, it has always been difficult to monitor whether a health and safety standard, such as the global standard ISO45001, benefits the growth and development of an organization as a whole. The research was able to conclusively prove that such a standard does.

Micheal Toffel (Harvard), Kala Viswanathan (Harvard), and Matthew Johnson (Duke) focused their research on roughly 300 BS OHSAS 18001 certified establishments. BS OHSAS 18001 is the precursor to ISO 45001, so provides an effective insight into the framework and its benefits. By comparing companies that were certified to the earlier standard, to establishments that were not, they found that certification did lead to safer workplaces. The number of illness and injury cases was reduced by 20% and similar magnitudes were also found across injury and illness cases of different severities. These results provide independent, empirical evidence that the adoption of a management system standard serves both as a credible indicator of superior operational performance, as well as a means to continually improve performance.

For Kate Field, the data builds upon BSI’s own findings, helping to paint a picture of how and why safety management systems can change a business for the better.



Prioritising people

“In times of uncertainty or trouble, people turn and look to their leaders. So you need to have some emotional intelligence, you have to be empathetic, you have to communicate even if you don't know the answer, you need to acknowledge what's happening and communicate”

Senior Management, Food, US
BSI OR Index 2021 Senior Management

Over the past two years, companies have faced enormous challenges dealing with the impact of COVID-19. Organizational resilience has been tested like never before and health and safety has been at the forefront, ensuring that organizations survive this huge disruption.

BSI has developed a best practice framework for organizational resilience, and each year publishes its Organizational Resilience Index. One of the key findings in the 2021 report, which covered the first 12 months of the pandemic, was that organizations that prioritised people were the most successful – they were not only surviving the disruption, but were thriving. The pandemic broke down hierarchical barriers and created a renewed focus on trust, it was organizations that encouraged collaborative working, good communication, emotionally intelligent leadership and diverse, inclusive and ethical workplaces that came out strongest.

This focus on people and their role in organizational resilience and business excellence is central to BSI's purpose – to make safer, healthier, fairer and more inclusive workplaces. BSI's Prioritizing People Model® is central to this. It provides a best practice framework for organizations to achieve long-term organizational resilience by focussing on its people to embed a culture of trust, engagement, inclusivity and well-being.

It is this same people-centric approach, to enhance organizational performance, that informs the development of standards such as ISO 45001. By focusing on work and workplaces that actively prevent physical and mental harm, whilst promoting good physical and psychological health, organizations can create high performing workforces that reach their full potential.



Driving organizational behaviour to shape workplace culture

“Once these types of management systems are put into place, it almost becomes self-perpetuating: increased worker participation, increased leadership presence and also supply chain pressures from customers requiring that their suppliers have good safety programmes in place. It becomes part of the culture of the organization as a whole.”

Dave Meyer, Principal Consultant, BSI

Dave Meyer, Principal Consultant at BSI, believes the first step in supporting the workforce is engaging senior leaders in company-wide change. Strong management plays an essential part in driving behaviours and shaping organizational culture. A health and safety management plan does more than manage health and safety risks. By weaving elements of a global standard into the fabric of an organization, leaders can set goals, plan and measure performance and promote topics and processes that become part of the business culture and the way people do their jobs.

Dynamic leaders can also use the structure to future-proof the organization and design for sustainability. By establishing a hierarchy of controls, performing regular, dynamic job safety assessments and measuring impact, they can be confident in their ability to bounce-back from external and internal challenges that might compromise performance.



“Although we’re talking about safety management systems as a way of reducing accidents [because of the Harvard-Duke research], the better way of thinking about safety is as the capacity for things to go right in the organization. And actually, safety management systems increase your capacity for things to go right...It’s actually living and breathing and implementing it in practice ...that’s where the magic happens from a legal compliance perspective”.

Micheal Tooma, Managing Partner, Clyde & Co.

Controls, Capacity and Competency – the three C's of success

“Wherever you are or whatever journey you are embarking on, put your people first and make sure they know why they are doing what they are doing.”

JC Sekar, CEO and Co-founder
ACuiZen Technologies Singapore Pre Ltd

Creating a safe and healthy workplace may begin with the senior management, but maintaining the environment for an organization to thrive is everybody's responsibility. Building trust within an organization is key to workplace wellbeing. Businesses must evolve a culture of care for the long-term and create fair and respectful workplaces where people are rewarded for effort and supported in their development

For JC Sekar, putting people first is about ensuring that at all levels in an organization there is adequate risk **competency** to manage and mitigate risks and operate in a safe and secure manner. This complements the operational **controls** in place and the organizational **capacity** to absorb any deviation from norm. Eventually it is the ability of people to understand the controls and operate in safe and secure conditions that determines the outcome.



Certification – is accredited certification necessary when using a management system?

“The value isn’t the ‘certificate’ itself, the value is driven by the continual improvement that the certification process focuses on. The auditors’ expertise, the conversations that take place, the examples of good practice shared, the fresh pair of eyes reviewing what’s being done – what’s being missed. This is the true value. Too often, people focus on the outcome and not on the process.”

Kate Field, Global Head of Health, Safety and Well-being, BSI



Certification is part of the conformance process and should be seen as an essential part of it. The process is designed to help and support organizations and working with an independent auditor is a chance to step back and assess your health and safety performance and make sure it’s still delivering. Auditing also helps keep you up to date with new legislation and innovations and provides insights through (anonymised) shared knowledge from other organizations.

For Michael Tooma, certification has the added benefit of providing proof of compliance as a defence to litigation:

“The proactive approach of litigation requires a systematic approach to the identification and management [of risk], the closing out of controls, and verification of those controls in the workplace. So, implicit in the duty of care is the expectation that you will systematically manage the risks in your workplace, and, therefore, the existence and implementation of a safety management system becomes in and of itself, a defence to any prosecution.”

Micheal Tooma, Managing Partner, Clyde & Co.

Health and safety management systems not only have the benefit of promoting health and safety outcomes in your organization and driving continual improvement, they also help future-proof by offering security against breach of care.

Scope for further research

“It’s about how work is done, not about the theory of how work should be done. For that, there needs to be true engagement with the workforce in a ground up perspective. It’s about the actual practicalities and realities and building capacity within the organization.”

Michael Tooma, Managing Partner,
Clyde and Co

The data in the Harvard-Duke confirms that organizations with established health and safety management systems, based on standards, reduce injuries. When taken alongside BSI’s own findings it is clear that by implementing a system that prioritises people, organizations can also embed resilience, improve compliance, build internal business confidence, grow more efficient teams, improve customer satisfaction and enhance business reputation.

The Harvard-Duke team is continuing to develop their understanding of the data, exploring additional impacts of certification on establishments’ growth and survival. Whilst we look forward to the results, we urge companies to take action now. With clear, measured results that indicate success, what are you waiting for?



Thank you

Thank you to all those who participated in the webinars:

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Principal Consultant, BSI

JC Sekar

CEO and Co-Founder, ACuiZen Technologies Singapore

Michael Toffel

Professor, Harvard Business School

Michael Tooma

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