



Health and
Safety

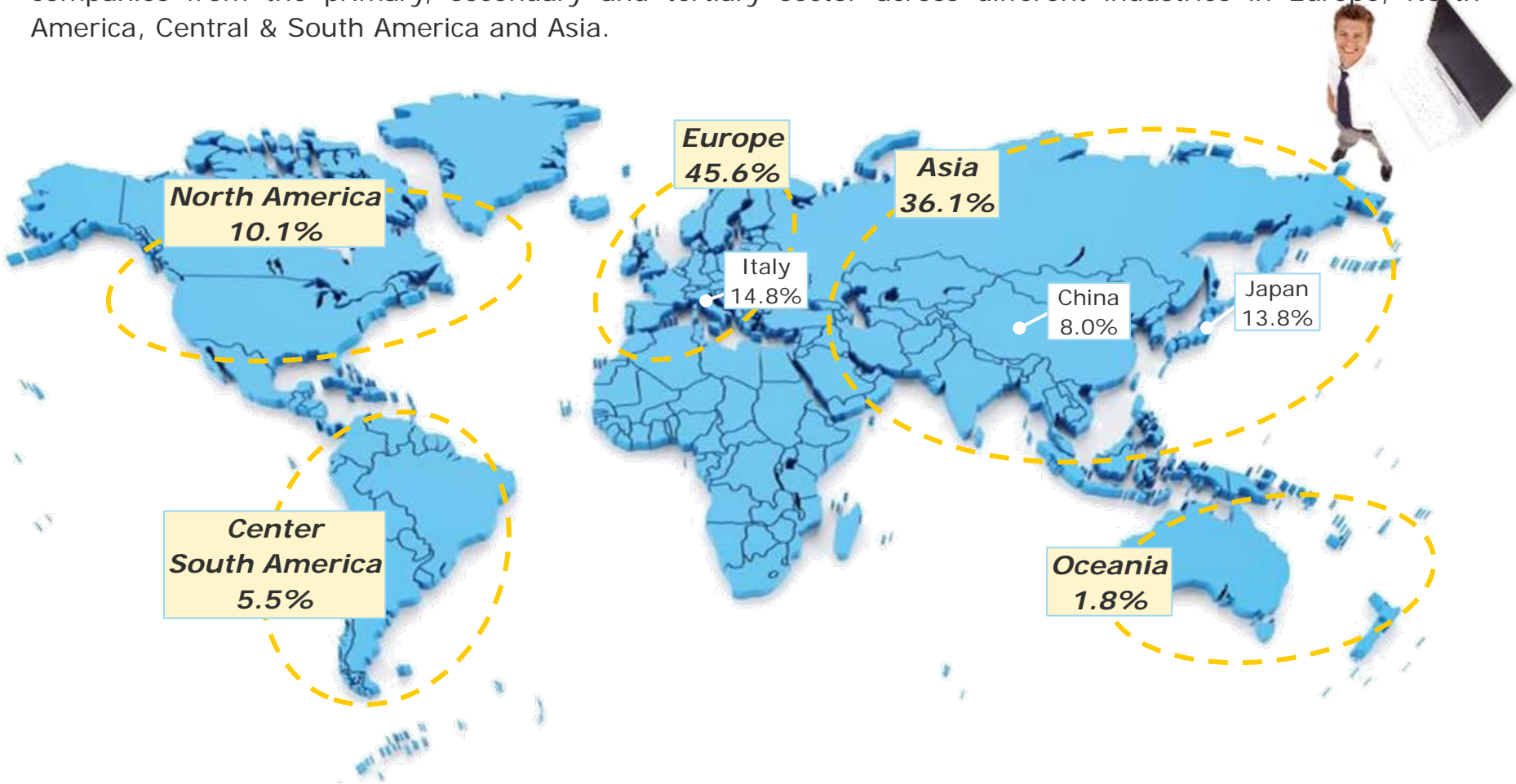
JANUARY 2014

OCCUPATIONAL HEALTH AND SAFETY

Methodology and Survey Sample

Methodology

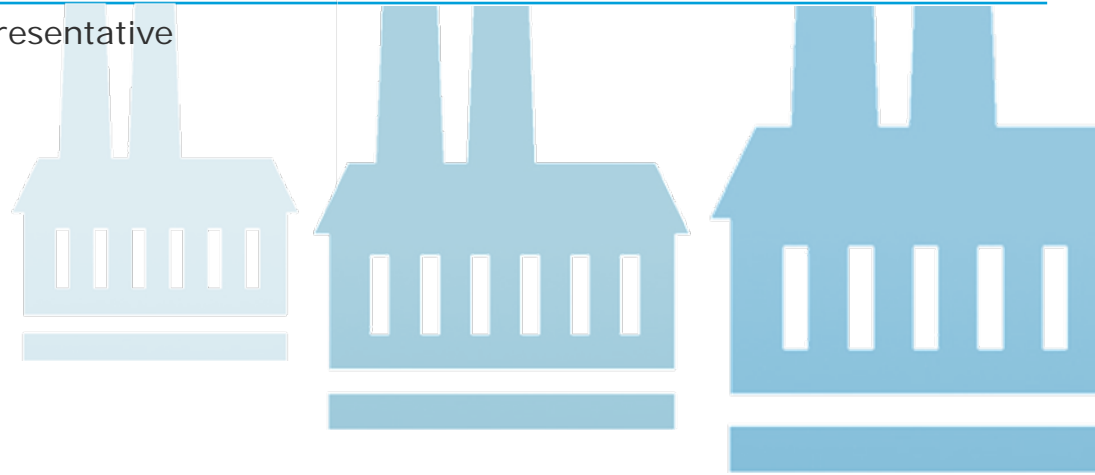
- The questionnaire was administered using the CAWI (Computer Assisted Web Interviewing) methodology.
- The survey was conducted in October 2013, on a sample of about 3.860 professionals who work at prominent companies from the primary, secondary and tertiary sector across different industries in Europe, North America, Central & South America and Asia.



Survey sample

The sample is qualitative and not statistically representative

- **23%** of the firms involved employ less than 50 people, **32%** from 50 to 249 and **45%** 250 and more



- Most of the companies involved belong to the secondary sector, particularly food (**5%**), chemicals (**6%**), metals (**11%**), machinery (**9%**) and electrical (**4%**)
- **67%** of survey respondents are directly involved in technical management

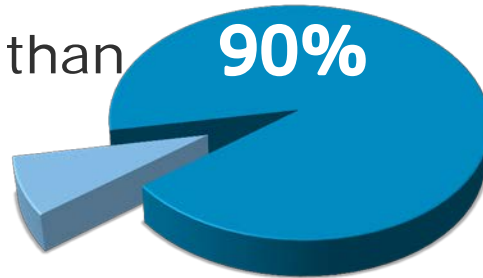


Occupational Health & Safety Management

Occupational H&S Management - 1



- Managing Health and Safety at work is nowadays part of corporate strategy.
- More than **90%** of people surveyed confirm it.



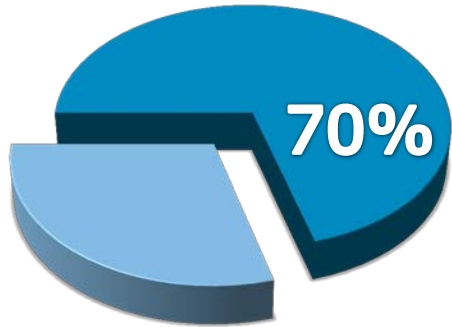
- The highest commitment comes from **mining and quarrying sector** where proportions grow to **98%**.



Total	Europe	North America	Central-South America	Asia	Up to 49	50 to 249	250 and more
3,860	1,759	389	214	1,394	887	1,224	1,719
92.3%	92.8%	94.3%	92.5%	90.5%	89.1%	90.8%	94.8%

Q1. To what extent are (Occupational) Health & Safety topics part of your company's overall strategy ?

Occupational H&S Management - 3



- Policies are not just window-dressing, in fact about **7 in 10** declare to effectively implement them.
- Percentages are higher for **Italy (88%)**.

Worth noticing that **81%** of firms belonging to agricultural sector follow specific procedures and they all claim to adopt them effectively.



Total	Europe	North America	Central-South America	Asia	Up to 49	50 to 249	250 and more
3,860	1,759	389	214	1,394	887	1,224	1,719
70,7%	76.4%	66.3%	73.8%	65.6%	63.2%	69.2%	75.6%

Q3. To what extent is this strategy or approach to Health & Safety effectively implemented in your company?



Top 2 Boxes: Italy 87.9%; Netherlands 87.3%; China 81.8%

Main Risk Areas and initiatives

Main Risk Areas



Questioned on what the main risk areas are, participants principally identify operational aspects, with some interesting differences among world areas.

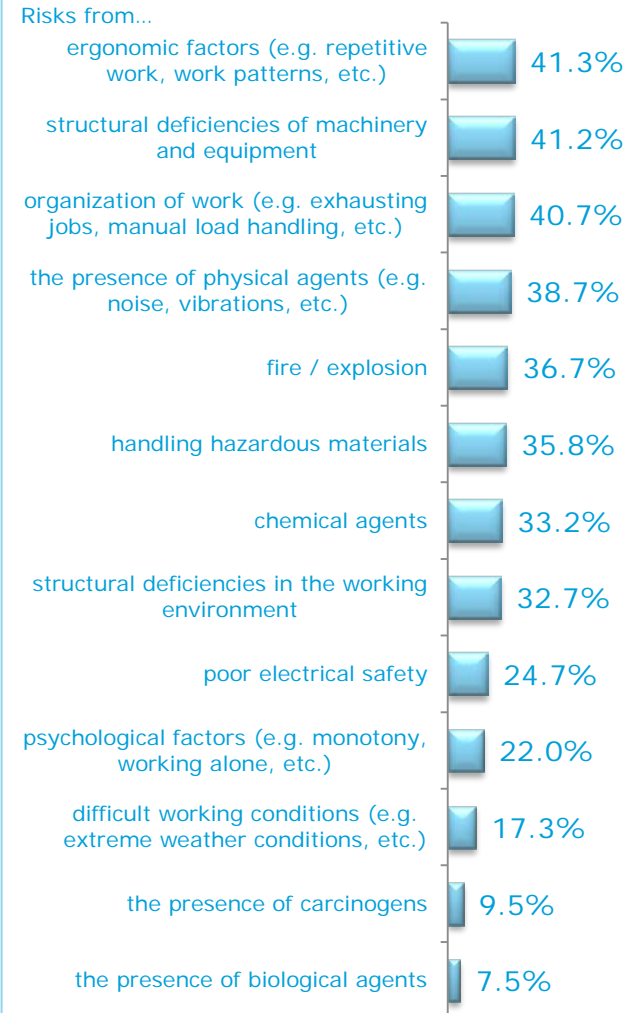
North Americans (66%) and **Swedish** (55%), for example, are those caring most for the **ergonomic factors**, while the **structural deficiencies of machines and equipment** are a main risk area especially to **Asians** (54%).



Chinese seem to be particularly worried by the **working environment**: proportions above average are recorded for dangers coming from the **presence of physical agents** like noise and vibrations (55%), **fire and explosions** (50%) or **poor electrical safety** (38%).

Q.4 Please select the main risk areas in your company related to Health & Safety:

TOTAL
3,860



Main Mitigation Actions - 1

Consequently, rather than working on prevention, companies find operational initiatives to be the most effective.

The top most effective actions are those concerned with:

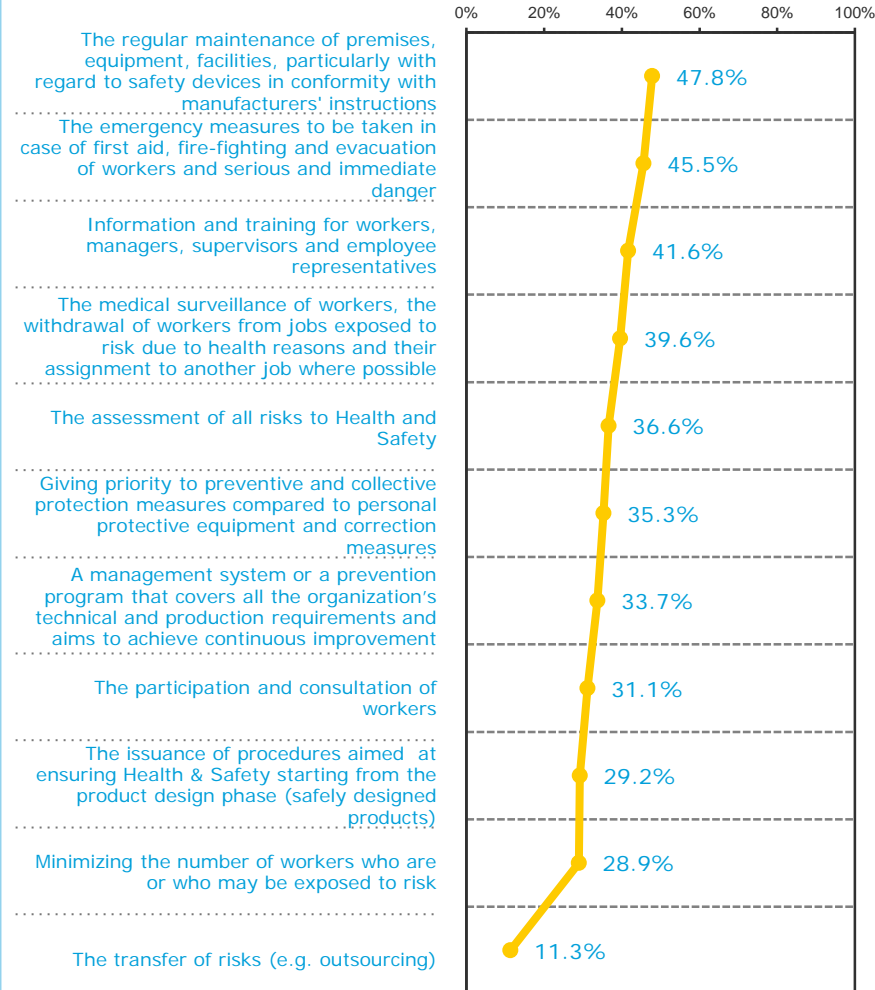
- the regular **maintenance of premises** (48%),
- **emergency measures** (46%)
- **training** (42%)
- and **medical surveillance of employees** (40%).



Organizational issues such as the **assessment of all risks related to H&S** (37%), **preventive measures** (35%) and **management systems or prevention programs** (34%) are down on the list demonstrating that, although the focus on operational aspects nowadays is high, there is still a lot to do in terms of organizational culture of occupational H&S.



Q5. Please select the actions undertaken thus far to mitigate the above identified risks; for those implemented evaluate their effectiveness: *if at least one «yes» at q4* **TOTAL** 3,860



Main Mitigation Actions - 2

- The most advanced are **North Americans** with percentages well above average not only for the effective implementation of actions aiming to control operative features but of actions aiming to address organizational issues too:
 - almost **1 in 2** undertake with success initiatives to **minimize the number of workforces exposed to peril**,
 - **44%** implement **management systems**
 - and **43%** issue procedures aimed to **ensure H&S of products from the design phase**.



- The Scandinavian, instead, stand out for the attention they pay to **participation and consultation of personnel on this subject** (Norway 46%; Sweden 43%).
- Moreover, they are among the most active supporters all over the world either of **emergency measures** (Swedish 64%) and of **preventive and collective protection measures** (Norwegians 50%) rather than of **personal protective equipment**.

Main Mitigation Actions - 3

- In this context **Italians** are remarkable for **medical surveillance of workers** (57%) and for the **assessment of all risks related to H&S at work** (49%).



- **Chemical businesses**, comprehensibly, are noticeable for the **adoption of emergency measures** (58%) and for the **issuance of procedures aimed to ensure Health & Safety as from the design phase of a product** (40%).



- **Mining and quarrying businesses**, instead, are particularly committed to **the assessment of all risks related to Health & Safety, to the medical surveillance of workforces** (50%) and stand out for their **consultation** (43%).



Main drivers, benefits and obstacles

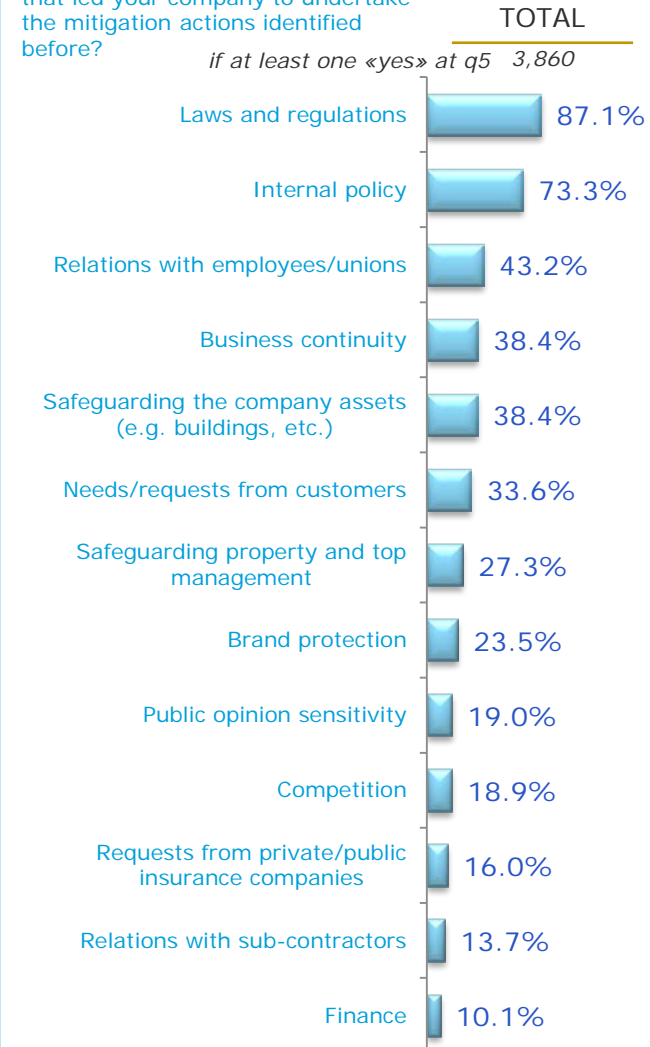
Main Drivers - 1

- Compliance with laws and regulations (87%) is the top reason leading firms to develop actions to safeguard H&S at work, especially in Europe (91%).
- Internal policies, mentioned by 73% of professionals, come next after.



- All other reasons, among which the maintenance of good relations with employees (43%), business continuity (38%) and safeguarding the company assets(38%), play a secondary role.
- Occupational H&S is a concern to global corporations independently from external market signals. Actually, brand protection (24%), public opinion sensitivity (19%) and competition (19%) turn out to be minor drivers.

Q6. In general, what were the reasons that led your company to undertake the mitigation actions identified before?

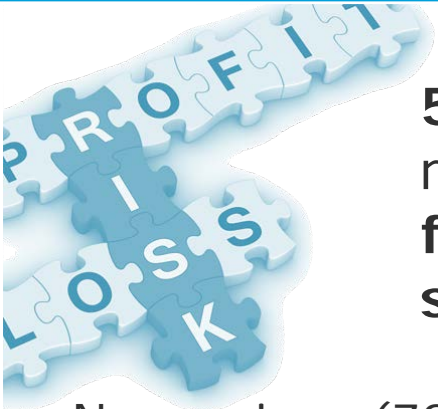


Main Drivers - 2

- Nevertheless, different regions show different attitudes.
- Although being the main driver, the pressure coming from law and regulations is below average (77%) for **North Americans**. In addition to satisfying an external request, **preserving H&S at work is crucial to them to preserve the business too: 1 in 2 see these actions as a way to safeguard company assets and about 1 in 3 to protect property and top management or fulfil requests from insurance companies.**
 - **Safeguarding company assets** is an important reason for **Indians (64%) and Chinese (50%)** too. In **China** also **competition (39%), brand protection (40%) and satisfaction of requests from customers (55%)** are key motivations, highlighting how safety of workers is considered a discriminating element for successful businesses.
 - **55% of Norwegians and 72% of Swedish**, instead, were motivated by the **relations with employees and unions**.
 - Reasons for undertaking mitigations actions in different industries roughly mirror overall rankings, with laws and regulations - followed by internal policies - ruling the roost for all sectors.



Overall Cost/Benefit

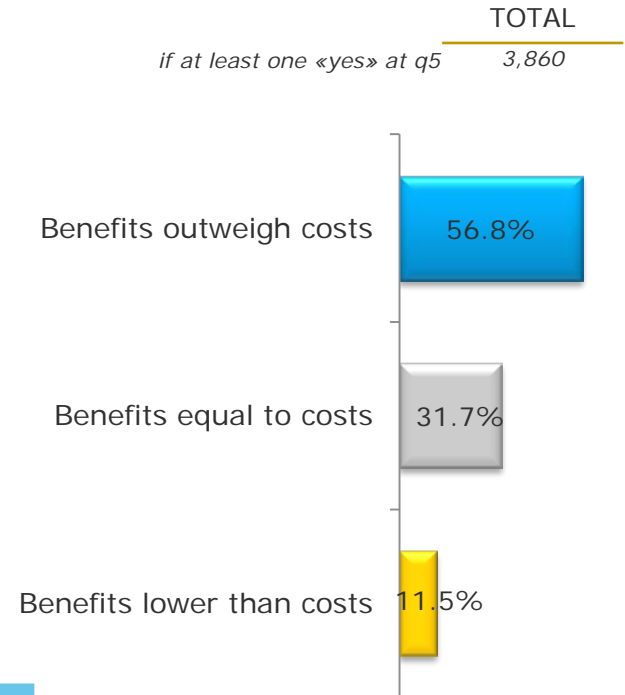


57% of people surveyed retain that **benefits coming from H&S related actions surpass costs.**

Norwegians (79%) and Chinese (80%) are the most satisfied.

North Americans (76%) and Center South Americans (72%) record percentages well above average too.

Q.8 How would you rate the overall cost/benefit ratio of the mitigation actions undertaken?



	Europe 1,759	North America 389	Central-South America 214	Asia 1,394	
Benefit outweigh costs	52.7%	75.8%	71.6%	53.7%	<i>Norway 79.2%; India 73.2% ; China 80.1%</i>
Benefit equal to costs	34.7%	19.2%	2.9%	33.4%	
Benefit lower than costs	12.6%	5.1%	6.5%	12.9%	<i>Italy 18.0%; Japan 18.0%</i>

Main Benefits - 1

- At a general level, companies obtained tangible paybacks, mostly in terms of **decrease of accidents (75%)** and **improvement of relations with personnel (67%)**.



- 39% improved the **relationship with authorities** and only **24% with other stakeholders**.
- Safeguarding Health and Safety isn't perceived as an asset in terms of improving business performance: those who claimed to have profited in terms of economic savings (36%), competitive advantage (34%) and returns for brand equity (26%) were not many.

Q7. What benefits did your company gain from the mitigation actions undertaken?



Main Benefits - 2



- **North Americans** make an exception just for what concerns **savings** (pointed out by 1 out of 2)
- and **Chinese** professionals for considering **competitive advantage** (49%) and **brand equity** (37%) significant benefits.
- **Chemical companies** stand out for benefiting considerably more than average in terms of **decrease of accidents (87%)** and **improvement of relations with authorities (55%)** and **with stakeholders (35%)**.
- **Mining and quarrying sector**, instead, sticks out for profiting more than average most of all for what concerns parameters such as **competitive advantage (51%)** and **improvement of relationship with authorities (50%)**.

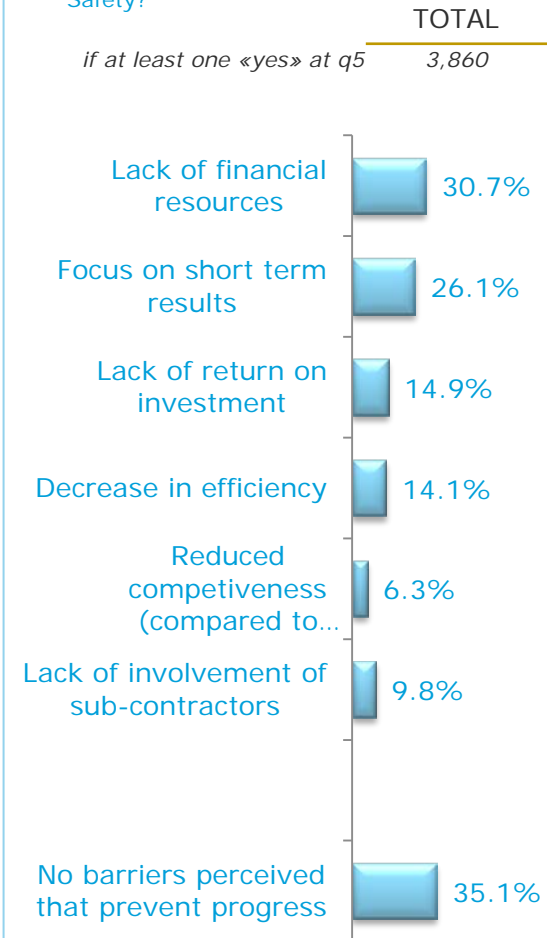
Main Obstacles Toward Progress

- **Lack of financial resources (31%) and focus on short term results (26%)** are the main factors preventing businesses from making more progress in managing H&S all over the world.
- In **Asia**, moreover, the burden of factors such as the **decrease in efficiency (23%)**, **lack of return on investment (19%)** and **lack of involvement of sub-contractors (15%)** is heavier than average, highlighting that the way operations are structured is perceived as an obstacle in this region.



- A similar scenario is registered for the **construction sector** where decrease in **efficiency (21%)**, **reduced competitiveness (13%)** and most of all **lack of involvement of sub-contractors (26%)** considerably influence the capability of firms to improve H&S conditions.
- The way operations are organized compromise the possibility to control and improve them.

Q9. What factors prevent your company from making more progress in managing Health & Safety?



Future developments

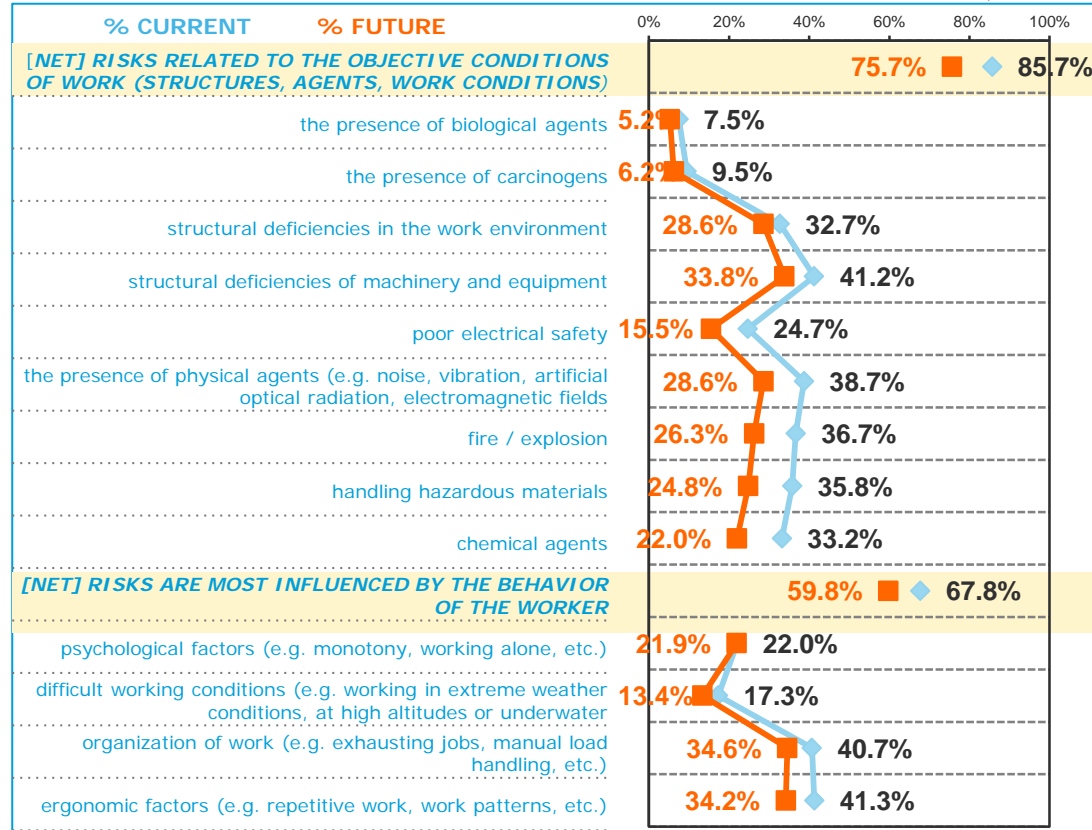
Future Risk Areas



- For the future professionals all over the world expect a **reduction in all kinds of operational hazards**.
- Confident in progress for providing practical issues with solutions, companies expect to maintain **same level of attention only on psychological factors (22% currently and in the future)**.
- There will be regional differences.** North Americans (54%) and Center South Americans (53%), for example, will keep focus on ergonomic elements, while Asians expect above average risks from structural deficiencies of machines (43%) and working environment (43%).

Q.4 Please select the main risk areas in your company related to Health & Safety: Q10. What will be the main risk areas in your company related to (Occupational) Health & Safety in the next 3 years?

TOTAL
N= 3,860



Future Mitigation Actions



- Although predicting a decrease in risks, businesses won't renounce to initiatives for safeguarding H&S at work and will go through an important change in their attitude.
- Training for employees (63%),**
- assessment of all risks (63%)**
- and adoption of management systems or prevention programs (59%)** will be top of the list.
- Efforts will move from operational aspects to organizational ones, marking a relevant step for the development of a corporate culture of occupational H&S.

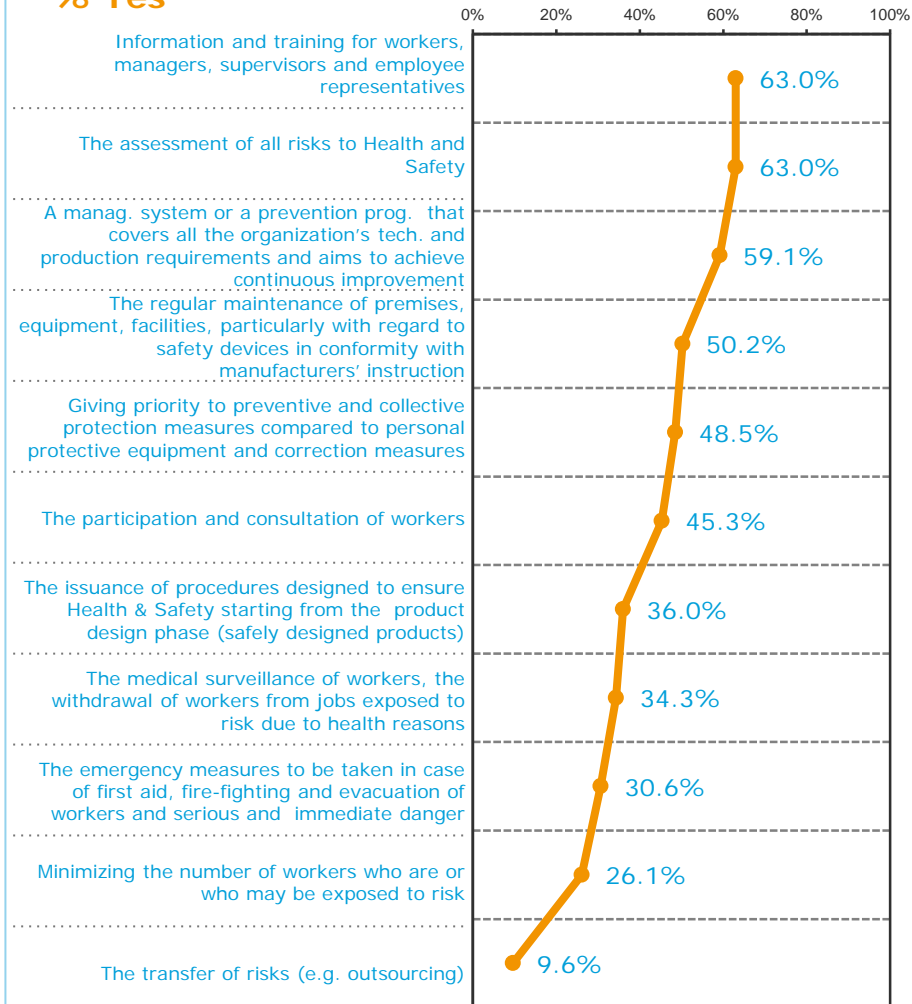
Q11. In general, what mitigation actions do you think will be effective against the above identified future risks?

% Yes

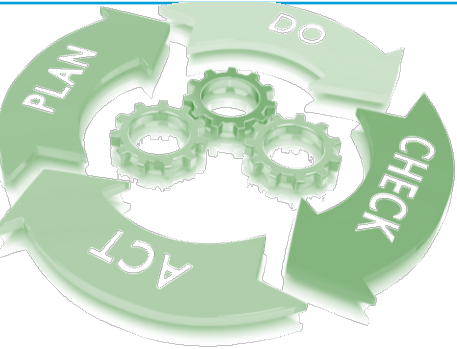
if at least one «yes» at q10

TOTAL

3,829



Future Investment Intentions

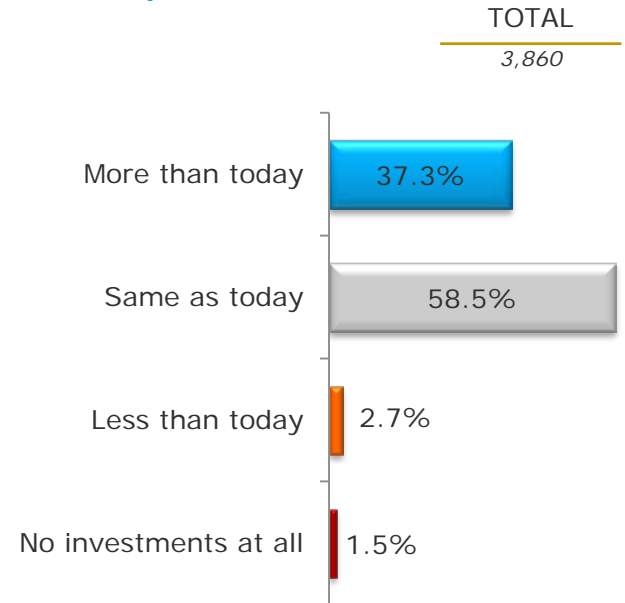


What is certain is that the focus on the topic will be kept high in the coming years.

Actually, **more than 90%** of people surveyed expect to **maintain or increase investments** for occupational H&S in the next 3 years.

Center South Americans are the most determined, **53%** state to be willing to increase funds.

Q.12 Is your company going to invest in Health & Safety in the next three years?



	Europe	North America	Central-South America	Asia	
	1,759	389	214	1,394	
More than today	28.8%	46.5%	53.2%	42.6%	India 72.9%; China 57.7%
Same as today	66.3%	50.8%	44.1%	53.4%	Norway 71.6%; Sweden 69.1%; Japan 81.4%
Less than today	3.3%	1.2%	2.2%	2.4%	
No investment at all	1.6%	1.5%	0.5%	1.6%	

Summary

What the study confirms



Managing Health and Safety at work is nowadays part of the corporate strategy of big and small companies

Main risk areas related to Health and Safety at work are identified by respondents with operational aspects

Survey findings



- More than 90% of respondents confirm this
 - 76% state they even implement an ad hoc policy
 - Unexpectedly, 70% of small firms adopt specific approaches too
-
- Main risk areas are
 - Ergonomic factors (41%)
 - Structural deficiencies of machinery and equipment (41%)
 - Organization of work (41%)
 - Presence of physical agents like noise and vibration (39%)

What the study confirms



Operational initiatives are most effective for managing occupational Health and Safety, according to world companies

Organizational issues are considered by companies worldwide only as a second step

Survey findings



- The most effective actions are
 - Regular maintenance of premises (48%)
 - Emergency measures (46%)
 - Training (42%)
 - Medical surveillance of employees (40%)
- Actions designed to address organizational aspects are retained efficient by fewer companies
 - Assessment of all risks related to H&S (37%)
 - Preventive measures (35%)
 - Management systems (34%)

What the study confirms



Managing occupational Health and Safety is felt to be a duty by companies

Occupational H&S is a concern to global corporations independently of external repercussions that could affect market performance

Survey findings



- The top reasons leading companies to undertake Health and Safety related actions are
 - Compliance with laws and regulations (87%)
 - Internal policies (73%)
- Factors linked to external repercussions/market performance are minor drivers for undertaking H&S related activities
 - Brand protection (24%)
 - Public opinion sensitivity (19%)
 - Competition (19%)

What the study confirms



Survey findings



Benefits from H&S related actions outweigh costs

- 57% of respondents retain that benefits outweigh costs

Paybacks are mainly tangible

- Decrease of accidents (75%)
- Improvement of relations with personnel (67%)

Progress in H&S management is hindered by economic factors

- All over the world, the main obstacles preventing businesses from making more progress in occupational H&S are
 - lack of financial resources (31%)
 - focus on short term results (26%)

What the study confirms



Survey findings



Professionals all over the world expect a reduction in all kinds of operational hazards for the future

- - 10% operational hazards
- - 8% risks related to the behaviour of workers

In the future, attention will shift from operative aspects to organizational ones

- Companies will opt most of all for
- Training for employees (63%)
- Assessment of all risks (63%)
- Adoption of management systems (59%)

The focus on Health & Safety at work will be high in the coming years

- More than 90% of respondents expect to maintain or increase investments for occupational H&S in the next 3 years

OCCUPATIONAL HEALTH AND SAFETY

www.dnvgl.com

SAFER, SMARTER, GREENER