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## **MAINTAINING GOOD OCCUPATIONAL SAFETY AND HEALTH PRACTICES IN ORGANISATIONS: A REVIEW\***

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### **ABSTRACT**

This article highlights some of the causes and costs for not maintaining good occupational safety and health (OSH) practices and suggests some preventive measures to overcome the challenges. The aim is to encourage employers and employees to do all they can to put safety first to minimize financial and personal losses resulting from the permanent disability, mental and emotional stresses, as well as the deaths of employees. After implementing the Occupational Safety and Health Act 1994 (OSHA) for nearly 20 years, much more could be done to enforce the law. The rate of non-compliance need to be reduced and more organizations should be encouraged to provide safer work environment, and to ultimately adopt the more enduring safety culture to minimize the total number of occupational accidents and illnesses in Malaysia.

**Keywords:** OSH causes; OSH costs; OSH prevention; Malaysian OSHA 1994; Malaysia.

### **INTRODUCTION**

When accidents and disasters occur at the workplaces, organizations tend to treat them as some unfortunate and distant problem that will probably never occur again, at least not at their premises. Fateful national disasters such as the 1984 Bhopal gas explosion in India, the 1986 Chernobyl nuclear leak in Russia, and more recently, the Fukushima nuclear reactor incident in Japan in 2011, have claimed the lives of several employees and affected the livelihoods of innocent residents nearby. Despite these horrific reminders, there are still corporate captains who continue to put profits rather than safety first. They have failed to take serious and urgent precautions and preventive measures to ensure that similar disasters will happen in their organizations and to avoid putting their employees and society at risk.

According to the Bureau of Labour Statistics (BLS, 2012) in the U.S., there were almost 3 million private sector employees in the U.S. who had non-fatal injuries and sicknesses in 2011. It also reported that, there were about 3.5 cases per 100 employees who were injured and/or ill, causing them to miss work and to undergo continuous medical care. Their absence from work had caused the organizations and nation billions of dollars. In Malaysia, the chairman of the National Institute of Occupational Safety and Health (NIOSH) revealed that the average industrial accidents was 17 per 1000 employees in 1994 and this was drastically reduced to 6.7 cases in 2007 (NIOSH, 2009). While this could be attributed to the timely implementation of the OSHA 1994, statistics from the Social Security Organization (SOCSO) revealed otherwise. In recent years, SOCSO has been paying

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increasingly huge amounts of financial compensation to individual sufferers and the families of workplace fatalities. In 2003, it paid out a total sum of RM305 million, followed by a sum of RM889 million in 2006, and a staggering RM1.55 billion in 2011 (Bernama, 2013).

### **THE MALAYSIAN OSHA 1994**

In 1992, the total destruction of a firework factory, the Bright Sparklers, at Sungai Buloh, Selangor had claimed the lives of 23 employees. It was this fiery and fateful blast that sparked and fast-tracked the enactment and implementation of the Occupational Safety and Health Act in 1994, and the establishment of the Major Accident Hazards Regulations in 1996. Compared to some of the developed nations such as in the U.S. (1970), U.K. (1974), and Australia (1984), Malaysia (1994) is a late starter in implementing the OSHA, but it is better late than never. Except for employees serving in the armed forces (namely the army, navy, and air force), marine or shipping companies, and household employees (e.g., the domestic maids and gardeners), employees from other organizations in the public and private sectors with 40 employees and above, are obliged to comply with the OSHA 1994 in Malaysia (DOSH, 2010).

Although large multinational companies (MNCs) such as those from the oil and gas and the electronics industries are diligently complying with the OSHA 1994, there are other organizations in the Malaysia that have yet to fully observe this law. Some of the small and medium enterprises (SME) have often cited economic factors and ignorance as the main excuses for not complying with the OSHA 1994. Apathy and the unsupportive attitudes of top management are also important reasons why some larger organizations have not committed more money, time, effort, and human capital to improve the safety and health standards of their workplaces and employees (DOSH, 2011). They seemed to be waiting for an accident to occur before they would put their act together; until then ignorance, is still bliss. Other successful organizations have blatantly defied the law, preferring to play the, “catch me if you can” game with the authorities. They have ignored the law and are least concerned for the welfare of their employees—putting them and those around them in danger daily (DOSH, 2011).

### **ENFORCEMENT OF THE ACT**

On the whole, since the implementation of Malaysia’s OSHA 1994, there has been greater public awareness and the enforcement of the law could have resulted in the declining rates of occupational accidents, deaths, and illnesses reports in most of the economic sectors. The official annual statistics from DOSH showed that the number of accident cases with non-permanent disabilities, for example, had decreased from 3008 cases in 2007 to 1706 cases in 2009, and subsequently to 1134 cases in 2011. The total number of deaths related to OSH has also declined over the years; there were 219, 185, and 80 fatalities in 2007, 2009 and 2011, respectively (DOSH, 2011). These impressive reports of the declining rates of accident cases and deaths should be interpreted with caution as they maybe just the tip of the iceberg. Underneath are perhaps other occupational accidents, near misses, illnesses, and deaths that have gone unreported or they have been hushed-up by some employers to avoid being prosecuted by the authorities. The unassertive Malaysian employees and the illegal foreign workers could also be one of the reasons they do not go directly to the authorities to officially complain against their negligent employers.

Besides being ignorant, employees in Malaysia appear to have a high degree of tolerance, preferring not to complain when exposed to unsafe and appalling work conditions. Few seemed to be brave enough or willing to let their superiors know when they experience poor ventilation and lighting, extreme temperatures (either too hot or too cold), and when they are given defective and poorly maintained electrical appliances and equipment

(hardware). When procedures are unclear, the workstations are congested, and the work designs are poor, most employees either ignore the situation or patiently endure them without complaining.

### **CAUSES OF OCCUPATIONAL ACCIDENTS AND ILLNESSES**

However, besides the unsafe conditions and work processes, one of the major causes of occupational injuries and illnesses identified in research is the unsafe acts and behaviors of the employees themselves; some are careless, ignorant, arrogant or simply disobedient (Clarke, 2006; Dessler, 2010; Neal & Griffin, 2006). When employees refuse to comply with their company's safety rules and regulations and they fail to participate in safety training sessions and safety campaign activities, they run the risk of making mistakes that could lead to physical injuries, permanent disabilities, psychological trauma, and even deaths (Clarke, 2006; Lauver, 2007; Neal & Griffin, 2006; Yule, Flin, & Murdy, 2007).

In general, academics have empirically shown that unsafe employee behaviors, unsafe work conditions, and hazardous practices are positively related to occupational problems and illnesses at the workplace (e.g., Clarke, 2006; Neal & Griffin, 2006; Vredenburg, 2002; Zacharatos, Barling, & Inverson, 2005). Among some of the antecedents of OSH incidents that they have identified are: the personalities and work attitudes of individuals (employees and their superiors), safety climate, safety culture (i.e., the organization's norms, beliefs and roles), safety motivation, safety behavior, job characteristics, work design, communication, and ineffective leadership and management support.

Neal and Griffin (2006) found that among others, safety climate and safety behaviors are significantly correlated, and that both are negatively related to occupational accidents. They used a 5-year longitudinal study to establish that safety climate (management's safety priorities) and safety motivation (employees' perceptions of the importance of safety at work) are significantly related to safety outcomes like employees' compliance to safety rules and their participation in safety campaigns and activities. A poor work climate would lower employees' compliance to safety rules and procedures as well their participation in organizational safety activities, resulting in higher rates of workplace accidents. It is therefore important that organizations create a work environment and climate that promotes positive safety behaviors and attitudes of their stakeholders.

In her survey of 62 risk managers from 62 hospitals across several states in the U.S., Vredenburg (2002) observed that infrequent meetings between top management and the safety committee members, irregular and unsuitable training, and the lack of safety-related rewards to encourage safety behaviors were the major sources of OSH infractions in the hospitals. The author also reported that staff injury rates were higher in the smaller than larger hospitals, mainly due to the lack of resources.

### **PREVENTIVE MEASURES**

Employee selection, according to Vredenburg (2002), is one of the most significant predictors of injury rates and hospital staff should therefore be carefully screened and hired. The behavioral type of interview methods as well as psychometric and dexterity tests would be useful selection tools to ensure that only individuals with low propensities of taking extreme risks and those who are least likely to do substandard work are hired as hospital staff. The Big Five Personality test, for instance, could profile potential employees to enable employers to match their personalities with the organizations and job types (Craig & Chen, 2006; Griffin & Neal, 2000). To minimize the rate of occupational accidents and near misses, ideally, hospitals and nuclear plants, should employ candidates who score high on the conscientiousness personality dimension test rather than those who have high extraversion and neuroticism scores.

Zacharatos et al. (2005) as well as Ford and Tetrick (2008) concur with Vredenburg (2002) that the adoption of good managerial practices such as high involvement managerial systems could motivate employees to be more proactive and to behave safely. By empowering and engaging employees to participate in safety campaigns and training activities, and by allowing them to make decisions concerning their work activities, as well as by linking rewards to the extent of their safe behaviors and actions, these could minimize the rates of employee injuries, illnesses and deaths. Empowered employees also tend to trust their management more and this could result in a better work climate that encourages self-discipline to comply with the high safety standards (Conchie, Taylor, & Charlton, 2011).

Another effective preventive OSH measure is to conduct safety training regularly for both the new hires and existing employees (Ford & Tetrick, 2008; Lauver, 2007; Zacharatos et al., 2005). The authors added that continuous re-education and retraining on safety procedures and practices could minimize employees' exposure to occupational accidents and health problems. Organizations could also implement the buddy or mentor scheme to enable young and new employees to emulate the safe behaviors of their exemplary senior colleagues. Alternatively, employees could be personally involved by joining their organization's safety committee to contribute ideas on how to improve the OSH conditions and safety standards (Dessler, 2010).

It is also crucial that management informs their employees early (such as during their orientation programme) of the rewards and benefits for behaving safely and for complying with their organization's OSH policies and procedures (Dessler, 2010; Ford & Tetrick, 2008; Zacharatos et al., 2005). Similarly, they should make it very clear right from the start of the penalties and disciplinary action that would be taken against employees if they violate the company's safety rules and procedures (Zacharatos et al., 2005).

### **ROLES OF MANAGEMENT AND EMPLOYEES**

Management therefore has a big role to play in motivating employees to act safely and in providing a safe work environment. Research findings reveal that good leadership or top management's commitment is statistically and significantly related to lowering the rates of occupational accidents, injuries and illnesses (e.g., Hofmann, Morgeson, & Gerras, 2003; Lu & Yang, 2010; Yule et al., 2007; Zohar, 2002). One of the largest international oil and gas companies in Malaysia aptly declares that, "Drilling is our Business but Safety is our Priority; Safety is NO Accident!" To achieve this, the company makes it a point to link their chief executive officer's (CEO) annual bonus to the company's OSH performance; the lower the rate or frequency of accidents and/or near misses, the bigger would be the CEO's annual bonus. Therefore, it is not surprising that the CEO would often start his staff meetings by discussing the OSH-related reports first before deliberating on other matters that are related to the company's performance quality and productivity (Hudson, 2007).

DuPont, the second largest chemical manufacturer in the U.S., and a global leader in manufacturing nylon and other hazardous chemicals and products, is another good example of how they have engaged their top management to support good safety practices and to minimize OSH infractions. The CEO of DuPont steadfastly ensures that their OSH policies and procedures are clear and that their safety goals and plans are well executed. The line managers are made accountable for their subordinates' OSH violations and safe acts and behaviors are embedded in the staff's performance goals (Dessler, 2010).

As an organization that deals with dangerous materials and products, the CEO of DuPont fully supports and endorses the safety committee's and officer's decisions and activities. They would include among others, making regular inspections of all their manufacturing plants, implementing strict audit procedures, having effective communication, and ensuring that the company conducts regular safety drills and training. Hence, when top

management makes safety their priority (Hofmann et al., 2003; Lu & Yang, 2010; Zohar, 2002) as in the case of DuPont and the oil and gas company in Malaysia, it would likely cascade through the organizational hierarchy to the individual employees, resulting in lower rates of OSH infractions.

The role of effective communication and feedback systems should not be ignored to minimize the occurrences of occupational accidents and health hazards (Clarke, 2006; Hofmann et al., 2007; Vredenburg, 2002). These authors suggest that employees be regularly informed via internal circulars, newsletters and other forms of electronic media about the organization's latest statistics on the number of accidents, near misses, and deaths. The objective is to create greater awareness among employees and to ensure that they would not add to the occupational accident and death statistics in their organizations. The digital economy provides excellent opportunities for management and employees to use the social media such as twitters and facebook to communicate freely with one another on the potential OSH hazards and to discuss practical preventive measures for the benefit of all stakeholders in the organization.

In general, employers and employees should be equally responsible towards preserving the safety and health of individuals in their respective organizations (Ford & Tetrick, 2008; Zacharatos et al., 2005). There will be negative consequences and cost implications if employers fail to effectively implement preventive OSH measures and if employees do not behave safely and are non-compliant (Lauver, 2007). It is the employers' moral duty and their social responsibility to protect the safety of every employee. It is also the employees' responsibility to avoid taking risks while at work. In the long term, it would make economic sense for organizations to invest in preventive rather than take corrective measures after the OSH incidents have occurred (Hudson, 2007; Vredenburg, 2002; Yule et al., 2007).

### **THE COSTS OF NON-COMPLIANCE**

Among some of the tangible and intangible costs that organizations would incur if accidents occur at their premises are: the costs of potentially losing their good and productive employees either through injuries, illnesses, deaths or even resignations, and a decline in individual and organizational productivity (Griffin & Neal, 2000; Lauver, 2007; Yule et al., 2007). The overall organizational performance would be affected due to downtime as the authorities investigate the accidents and as the employees recover from their injuries and illnesses.

Organizations could be fined (in Malaysia it is between RM5000 to RM50000) and their operations suspended if found guilty (DOSHS, 2010). This could damage their corporate image and brand, undermine their market value, and limit their potentials in attracting and retaining good talents in the near future. Besides, there will be additional costs involved from paying accident-related compensation to the OSH victims, and for hiring new replacements because of the expenses incurred for advertising, interviewing, hiring, and training new or temporary staff (Dessler, 2010).

### **CONCLUSION**

As organizations compete to outperform one another in their respective industries, it should not be at the expense of their employees' safety and health risks. Like other assets, employees are precious and should be treasured and nurtured. Organizations are morally obliged to ensure that their employees are safe and free from extreme physical, mental and emotional stresses. High involvement managerial practices by engaging, motivating, and rewarding employees to adopt safe practices would have more enduring effects than the control systems (Griffin & Neal, 2000; Zacharatos et al., 2005). Self-awareness and the

discipline that comes from within the employees themselves would have a stronger impact in minimizing OSH problems.

Therefore, the sooner employers and employees acknowledge their respective responsibilities and support one another in making safety their priority the sooner they would succeed in preventing the occurrences of major OSH disasters at their workplace. While OSH prevention measures demand serious planning and strong support from the top management and other stakeholders in organizations, they can be very challenging and costly. However, in the long run, it would make good business sense to prevent than to correct careless and irreversible mistakes and accidents at the workplace.

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