



Safety Star Rating Pilot Evaluation  
Final Report

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**September 2016**

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Final Report

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# Executive Summary

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Safety Star Rating (SSR) is an injury prevention initiative that aims to help lift the performance of workplace health and safety in New Zealand businesses. It checks how well a business is performing against 15 standards that are important for good health and safety performance and provides the business with guidance on how to improve. The standards cover concepts such as leadership and engagement, risk awareness and risk management.

Between November 2015 and June 2016, 95 businesses took part in a Pilot to test the effectiveness, relevance and value of SSR to businesses. Each business completed an online self-assessment against the standards. 38 of these businesses also participated in an independent onsite assessment that looked at how well they managed risks

This report details the findings of recent research conducted with 33 of those 38 organisations. The objective of this research was to deliver comprehensive information about participating businesses' views of the SSR Pilot in relation to:

1. The relevance and likely effectiveness of SSR (i.e. in terms of encouraging and enabling them to achieve improvements in their own workplace health and safety).
2. How SSR design and implementation could be improved to better meet businesses' expectations and needs (e.g. in light of the matters described as the purpose of the Health and Safety at Work Act 2015).

## Summary findings

### Effectiveness

1. Based on feedback from SSR Pilot participant businesses, the SSR standards appear to be focused on the right issues facing businesses in the current environment, and are viewed as being well aligned with both current business practices and the new health and safety legislation.

Many Pilot participants reported that the self-assessment process, the supporting documentation and the preliminary report from the SSR programme provided them with useful information about their business's current performance in relation to SSR standards.

*I think the 15 standards give a really good, comprehensive coverage across all the areas that are critical to businesses in New Zealand.*

2. In addition, many Pilot participants viewed the self-assessment as a productive and helpful exercise for providing insights and effective guidance for improving health and safety practices. Some also noted that it, and the onsite assessment, had the potential to be very

useful for benchmarking and tracking an organisation's progress over time against the 15 standards.

*It's a good process to see how the business is performing....if you did it on a regular basis, you could use it as a continuous improvement tool in terms of benchmarking where you are from one year to the next.*

Despite this, there was common feedback that the self-assessment process could be made more user-friendly, both in relation to its language and flexibility (i.e. a pick list approach in relation to current performance and behaviours).

*I know there'd be a certain reason it was written that way, but I found it very awkward. A tick box approach of what you do would have been easier.*

3. Almost all Pilot participants reported that the onsite assessment's 'deep slice' approach was a very effective means to judge an organisation's health and safety practices and culture.<sup>1</sup> Key to this is the focus that it places on engaging with a wide range of staff within the organisation about current health and safety practices.

*It's actually delving into how things are, rather than what's written. I think it's a fairer reflection and fairer test on safety, rather than looking at safety systems.*

4. Businesses that performed well in the onsite assessment reported that the SSR Pilot had provided them with independent and credible evidence that they are on track and have the right approaches in place to improve health and safety performance. Several reported that this had given them greater confidence and assurance, which was something they particularly value.

*It's given us a good level of confidence... this is definitely giving us a good sense of where we're at, which is very helpful.*

5. Less well-performing businesses reported that the SSR assessment had been an effective way to identify improvement areas and provided useful and tailored guidance to support their continual improvement – particularly around risk management and occupational health.

*So next week we are getting together with our contractors.. talk about all the risks on individual sites, supply them with all that detail about the hazards on each and how to deal with the risks... and just reinforce the fact that [contractors] are an important part of our health and safety system and learnings.*

## **Relevance**

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<sup>1</sup> The 'deep slice' approach is a behaviour-based assessment that is focused on observing workers, organisational culture and leadership - rather than documented management system policies and procedure. This involves speaking to and observing staff within a business from the senior management through to staff and contractors.

6. Businesses reported that they found SSR a good tool for assessing health and safety behaviour and practices and identifying areas for improvement that are tailored to their circumstances. Given this, almost all of the participants reported that SSR has the ability to drive health and safety performance improvements in businesses' work-related practices.

*I think the self-assessment, and the onsite assessment, gave us a really good understanding of how we're going, and where we should be going next.*

7. One of the main strengths of the onsite assessment is its focus on risk identification and risk management. As a result of this, the onsite assessment identified risk assessment and risk management as areas where many participants needed to make improvements. In addition to these two areas and the management of contractors, other areas where some businesses needed to improve were: health monitoring, emergency management, the development and reporting of lead indicators, resourcing for health and safety, health and safety leadership, and the organisation's health and safety vision.

*It's made us look at the areas where we need to do health monitoring, which is great. We talk about hazardous substances and dusty noisy environments, but we're not doing health monitoring yet and that's something that we need to keep pushing forward.*

8. Almost all of the Pilot participants reported they had taken on board the SSR assessment feedback and recommendations and were actively implementing these recommendations.

Many were able to identify specific improvements the business had already undertaken, or that were currently under way, as a result of participating in the Pilot. In most cases, these improvements related to making changes to how the organisation undertakes risk identification, assessment and management, improving employees' engagement with the managing of occupational health and safety, and improving supplier and sub-contractor management processes.

*We've actually brought a lot of these recommendations into practice and built them into our policy, our health and safety manual. We've built in more targeted SMART measures. We've introduced more risk assessments...*

A small number of participants also reported that they were making physical improvements to their workplace, including changes to plant layout and pedestrian flow management, and the upgrading of certain plant and equipment.

### **Value proposition**

9. The behaviour-based consultative assessment approach, with its focus on interviews, worker observation and education, rather than documentation review, is seen as different from other health and safety initiatives currently being used in New Zealand, and one of SSR's greatest strengths. Pilot participants reported seeing particular value in this approach as a better way to understand exactly what is going on in their workplaces and to assess the effectiveness of their health and safety performance.

10. Participants were almost universal in their views that the assessors' experience and skills in engaging with a range of different levels of staff in the business are key to the success of any onsite assessment process.

*The staff all found that really good, because they felt that they were valued and their opinion was valued. It was a better experience than I thought it would be.*

11. Almost all Pilot businesses reported that they would be willing to pay to take part in SSR or a similar initiative in the future, as it provides value in terms of tailored advice and education. However, the majority of participants currently in ACC's Workplace Safety Management Practices Scheme (WSMP) or the Accredited Employers Scheme would expect to see some type of financial incentive (along the lines of the WSMP levy discount) as a feature of SSR if it is implemented.

### **Pilot participants' recommendations for improvements**

Pilot participants made a number of recommendations for improvements to SSR. These recommendations focus on making SSR more user-friendly overall and to enhance its ability for driving continual improvements: These included:

- Making the on-line self-assessment tool more user friendly (e.g. simplify language and decrease the amount of supporting reading material).
- Refining the SSR standards and maturity scales for easier application
- Create reports that clearly communicate action points and cater to different audiences

### **Conclusion and recommendations**

The overall consensus is that SSR is a more effective tool for assessing an organisation's health and safety performance in the current environment and providing continual improvement support, when compared with other traditional document management systems and compliance audits.

SSR's behavioural-based approach was seen to be better aligned with how businesses actually operate, with many participants highlighting the behavioural assessment focus of SSR's approach as a much more robust process that examines how practices in the workplace are being completed and if they are being completed in a safe manner and if not why.

SSR was seen as being much better aligned with the Health and Safety at Work Act 2015. As such, it was seen by many as being a potentially valuable improvement to managing workplace health and safety in New Zealand.

Should SSR proceed, the primary benefits of driving continual improvement and providing a degree of assurance (as opposed to being a regulatory-focused compliance audit tool) will need to be clearly communicated by government. Otherwise, its uptake may be limited to the same market that has historically sought WSMP accreditation.

Pilot participants were of the view that SSR would more likely appeal to medium-sized and large businesses, particularly those in the higher-risk sectors. This is due to the expected financial and transaction costs associated with the onsite assessment process, and the greater willingness/ability of larger businesses to absorb those costs.

It should be noted that the WorkSafe, ACC and MBIE ownership and co-branding of the tool and its documentation is viewed as a strength. Respondents felt that having all three of the lead agencies' brands prominently displayed in relation to SSR gave it a degree of 'weight', credibility and authority. Therefore, it is recommended that this co-branding be retained in its final identity.

There was also a clear indication from participants that, of the three agencies, either WorkSafe or ACC is the most suitable organisation to implement SSR, with WorkSafe being the preferred agency. This was due to WorkSafe's expertise and credibility as the health and safety regulator, and its knowledge of the different types of risks faced by workers in different sectors. As such, there was little appetite among participants for SSR to be implemented by a third-party assurance provider.

Despite this view, Pilot participants recognised that some prospective participants would be concerned about 'inviting the regulator' to scrutinise their health and safety performance. As such, should SSR proceed and it be implemented by WorkSafe, or a combination of WorkSafe and ACC, its function should be clearly delineated as being independent of WorkSafe's Health and Safety and HSNO compliance and enforcement inspectorate functions. This would help reinforce SSR as being an educative business improvement tool, rather than being about compliance and punitive remedies.

# Introduction

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## Background

Safety Star Rating (SSR) is an injury prevention initiative that aims to help lift the performance of workplace health and safety in New Zealand businesses. It checks how well a business is performing against 15 standards (Appendix A) that are important for good health and safety performance and provides the business with guidance on how to improve. The standards covered concepts such as leadership and engagement, risk awareness and risk management.

Between November 2015 and June 2016, 95 businesses took part in a Pilot to test the effectiveness, relevance and value to businesses. These medium-large businesses came from the transport, construction, manufacturing, agriculture, warehousing and distribution, and government sectors.

All businesses completed an online self-assessment against the 15 standards. Thirty-eight (38) businesses participated in an independent onsite assessment that looked at how well they managed risks. Businesses were given a rating for each standard and received an overall performance rating.

## Objectives

The objectives of this research were to deliver comprehensive information about participating businesses' views of the SSR Pilot, in relation to:

1. The relevance and likely effectiveness of SSR (i.e. in terms of encouraging and enabling them to achieve improvements in their own workplace health and safety).
2. How the SSR's design and implementation could be improved to better meet businesses' expectations and needs (e.g. in light of the matters described as the purpose of the Health and Safety at Work Act 2015).

The specific questions that this research set out to answer were as follows:

- ◆ How effective is the SSR Pilot in facilitating an evidence-based judgement of businesses' health and safety performance, particularly in comparison to other health and safety approaches or schemes?
- ◆ To what extent does the SSR Pilot appear to increase businesses' understanding of, and confidence in, good health and safety practices?
- ◆ To what extent does the SSR Pilot support businesses' ability to improve H&S performance, particularly in the short term?

- ◆ To what extent are businesses participating in the SSR Pilot satisfied with its tools (e.g. standards, guidance and advice), methodology and approach (e.g. perceptions of the 'deep slice' approach, the SSR assessors' ability to engage with a wide range of employees within an organisation) and associated logistics (e.g. timing to complete onsite assessments, turn-around time for reports on findings)?
- ◆ How relevant and achievable are the SSR Pilot's standards, guidance and indicators to businesses?
- ◆ What improvements to the SSR Pilot can be made to better assess businesses' health and safety performance and support improved workplace safety?
- ◆ What is the value (i.e. financial and non-financial benefits) of the SSR Pilot to businesses, particularly in comparison to other health and safety audit or quality schemes and approaches?
- ◆ To what extent do businesses consider the SSR initiative as something they would be willing to invest in (i.e. financial, capability and capacity), and why?

## **Methodology**

The research was conducted as in-depth interviews with 33 out of the 38 businesses and government agencies that participated in both the SSR self-assessment and onsite assessment processes.

The interviews were conducted either on a face-to-face basis or by telephone with one or two key informants who were directly involved in the onsite assessment and, in most cases, had also been involved in completing the self-assessment. The interview guide was developed in consultation with SSR stakeholders from WorkSafe and ACC. The interviews took between 45 and 60 minutes on average to complete, and were recorded for note-taking purposes with the informed consent of the participants.

In preparation for this research, Research New Zealand completed the SSR self-assessment and attended a three-day onsite assessment of one of the Pilot participants. In addition, prior to each in-depth interview, the researchers also familiarised themselves with each participant's SSR onsite and self-assessment reports. Research New Zealand was also given access to participants' feedback on the SSR online self-assessment tool.

## **Limitations of the qualitative research**

A limitation of this qualitative research is that it exclusively explored the views of Pilot participants whose organisation had completed both the self-assessment and onsite assessment process.

The qualitative sample also included key informants from primarily larger-sized businesses and organisations, many of whom are also participants in the Business Leaders' Health and Safety Forum. As such, many might be considered to be 'early adopters' in relation to implementing health and safety improvements.

It should be kept in mind that qualitative research does not allow for the calculation of statistically robust findings; rather, respondents' comments have been reviewed and analysed with the aim of identifying common themes and perceptions.

## **Profile of SSR Pilot participants and their motivations for participating in the Pilot**

The SSR Pilot participants represent a range of business sectors and industries, including: agriculture, construction, manufacturing, transport, warehousing, emergency response services, local councils, central government agencies and state-owned enterprises.

The smallest organisation that participated in the research employed approximately 40 FTEs, while the largest had more than 2,000 workers throughout the country. Most participants were multi-site organisations, but a couple operated from only one location.

### **Pilot participants' motivation for participating in the SSR Pilot**

Employers' reasons for taking part in the SSR Pilot can be categorised into several broad themes.

Many employers involved in the SSR Pilot reported that their organisation had been implementing a number of changes in health and safety practices during the past several years. As such, they saw participation in the Pilot as an opportunity to gain a clear sense of where their current health and safety systems and practices stand, and how they could be further improved.

In some cases, there was a particular desire to get meaningful feedback on the organisation's current health and safety systems and practices in order to identify areas where the business needed to improve to be better aligned with the requirements of the Health and Safety at Work Act 2015.

For a number of participating employers, there was also a strong desire to be seen as a health and safety leader in their sector and/or the community.

Several employers cited a desire to experience a system that was different from the traditional approach taken by other health and safety audits. A particularly attractive aspect of the Pilot for these employers was its focus on risk, onsite health and safety behaviours, and work practices.

Other employers saw participating in the SSR Pilot as an opportunity to engage proactively with WorkSafe, initiate dialogue between their organisation and the regulator, and have the potential to influence the shape and outcome of the SSR initiative, should it proceed.

# Safety Star Rating Self-assessment

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There were two stages to the Safety Star Rating (SSR) Pilot assessment. The first was an online self-assessment, where businesses completed an online self-assessment against the 15 standards.

The self-assessment was designed to provide businesses with insight into their own health and safety performance. Based on the business's own views, the self-assessment report provided a rating (between 1 and 5 reflecting increasing levels of performance) for each standard, an overall performance rating, and guidance on how to improve.

This chapter of the report examines Pilot participants' feedback on the effectiveness and relevance of the SSR Pilot's self-assessment process.

## Summary of key findings

1. Pilot participants generally completed the self-assessment in one of three ways:
  - a. It was completed by just one or two people directly involved in managing health and safety in the organisation.
  - b. It was completed by the health and safety manager, with input from one or two other management-level people.
  - c. It was completed as a collaborative or consultative exercise involving multiple staff from different parts of the organisation.
2. The amount of time to complete the self-assessment process varied from a couple of hours, where just one or two people were involved, to the equivalent of several FTE days when the self-assessment was undertaken as a collaborative exercise involving a range of staff from within the organisation.
3. Many Pilot participants reported that the self-assessment process, the supporting documentation, and the preliminary report from WorkSafe provided them with useful information about their business's current performance in relation to the 15 standards.
4. In addition, many Pilot participants viewed the self-assessment as a productive and helpful exercise for providing insights into, and effective guidance for, improving health and safety practices. Some also noted it had the potential to be a useful tool for benchmarking and tracking an organisation's progress over time against the 15 standards.
5. Many of the Pilot participants were able to report on specific improvements which the business had already undertaken, or that were under way, as a result of the SSR self-assessment. Frequently, these improvements related to how the organisation undertakes risk identification, assessment and management; employees' engagement with the managing of occupational health and safety; and improving supplier and sub-contractor management processes.

6. Despite this, some participants felt the SSR self-assessment was, potentially, a subjective exercise that reflected the employees' perceptions of how the business was doing, as opposed to the business's actual health and safety performance.
7. For other organisations, particularly those that could be considered more 'mature' in terms of their health and safety systems and practices, the self-assessment process provided a degree of assurance and confidence in relation to a number of their current practices.
8. The use of the supporting materials and references provided with the SSR self-assessment process was varied. Some employers spent a significant amount of time reviewing the supporting material and references prior to completing their self-assessment, while others mainly worked directly with the online tool and rated their organisation based on the maturity scales.
9. While several participants reported that too much supporting information was provided with the self-assessment, others found the material and references particularly useful in that they provided examples of 'good practice'. Several employers in this latter group also indicated that they would continue to use these resources to identify ways to improve their business's practices.
10. Many participants found the manner in which the maturity scales were presented (on screen via the online assessment tool) was confusing and could have been more user-friendly. It was noted by several that this introduced a further degree of subjectivity to the process, as well as making it more time consuming for them to complete their self-assessment. More than one participant was of the opinion that a 'pick list' approach of actual activities and practices, which relate to each standard, would be a more appropriate means for rating their organisation's performance.
11. Participants' feedback suggests that simplifying the language and terminology would make the self-assessment more accessible to a broader range of users within the organisation. This would make it a useful tool to engage in productive health and safety conversations with a range of different staff from throughout the organisation.
12. Participants' views were mixed in relation to their satisfaction with the time spent in completing the self-assessment process, but the general consensus was that it should take less time than it did.
13. Pilot participants' recommendations for improving the SSR self-assessment process primarily reflected their views that the process could be more user-friendly:
  - a. Decreasing the amount of supporting reading material (or making this information available as a separate resource).
  - b. Simplifying the language and some of the self-assessment's terminology, so that the tool could be better used to facilitate health and safety discussions with a wide range of staff within an organisation

- c. Making the maturity scales easier to work with, so that businesses can more readily rate their current performance.

## **How Pilot participants completed the self-assessment process**

SSR Pilot participants completed the online assessment process in one of three ways:<sup>i</sup>

1. It was completed by just one or two people directly involved in managing health and safety in the organisation.
2. It was completed by the health and safety manager, with input from one or two other management-level people, e.g. a human resources manager and/or manager familiar with the operational side of the business.
3. It was completed as a collaborative or consultative exercise involving multiple staff from different parts of the organisation.

In hindsight, several employers who did not involve multiple parts of the business in completing the self-assessment conceded that they could see value in including. However, as noted later in this chapter, a couple of employers specifically chose not to do this because they did not feel that the tool in its current form could be used by someone without a health and safety background.

In undertaking the self-assessment, some employers opted to use only the online tool and did not refer to the available supporting documents. Others spent considerable time familiarising themselves with the supporting documentation before attempting the assessment using the online tool.<sup>ii</sup>

Several employers, particularly those who sought input from different parts of the organisation, circulated the documentation to others in the business ahead of seeking their feedback in relation to the business's performance for specific standards.

Many of the employers reported that they completed their self-assessment over a number of sessions. This was due, in part, to the need to consult with others in their organisation.

Regarding this, one organisation noted that they particularly wanted to take a more holistic view across their entire organisation, rather than focus on just one part of the business. While a previous health and safety consultant's report had identified some areas of the organisation that had particularly good health and safety practices in place, it also determined that other parts of the organisation could be performing better. As a result of this, there was a desire to complete the self-assessment process from an organisation-wide viewpoint, even if it meant rating the business lower in relation to some of the SSR standards.

# **Effectiveness of the self-assessment component of the Safety Star Rating Pilot**

For the purposes of the evaluation, feedback was sought from Pilot participants on the effectiveness of the self-assessment process in relation to three interrelated areas:

1. Does the SSR Pilot self-assessment process facilitate an evidence-based judgement of businesses' health and safety performance?
2. To what extent does the SSR Pilot support businesses' intentions to improve H&S performance, particularly in the short term?
3. To what extent does the SSR Pilot appear to increase businesses' understanding of, and confidence in, good health and safety practices?

The following sections address each of these questions, based on the views expressed by Pilot participants.

## **1. Facilitating an evidence-based judgement of an organisation's health and safety performance, and driving improvements**

To ascertain whether the self-assessment process facilitates an evidence-based judgement of organisations' health and safety performance, evidence was sought in relation to:

1. Whether employers perceived the self-assessment process and tools as useful for making sound judgements about their organisation's strengths and weaknesses.
2. Whether the self-assessment process provided insights into current issues in the business and how to improve health and safety performance.
3. The degree to which participants considered the SSR Pilot's standards, thresholds, guidance and indicators as appropriate for their organisational and health and safety contexts.

The following section examines SSR Pilot participants' feedback on these aspects of the self-assessment process. This is followed by commentary in relation to health and safety performance areas that the self-assessment identified as requiring improvements.

### **A. Facilitating sound judgements about an organisations' health and safety performance**

Many Pilot participants reported that the self-assessment, the supporting documentation and the preliminary report from WorkSafe provided them with useful information about where their business currently stood in relation to the 15 SSR standards.<sup>iii</sup>

In relation to this, one organisation noted that as they worked through the scales, they were consistently scoring themselves as '2' every time. While the business had plans regarding different initiatives that, once up and operating, would have resulted in a number of level '3' ratings, in many cases no demonstrable actions had been implemented at the time of their self-assessment. As such, this was reflected in how they scored the business.

It was also noted by some participants that the self-assessment exercise was useful in terms of benchmarking the current performance of the business, in relation to 'best practice', as well as to ascertain its progress against the standards and maturity scales over time.

One issue that was raised by several participants was that the process of assessing one's own practices is subjective and based on how the individual(s) in question felt the business was doing. An example of this would be feedback provided by one CEO that the self-assessment report reflected internal opinion only and therefore might be biased.

This is not to say that the subjective aspect of the self-assessment is necessarily a negative feature. Several participants reported that this subjectivity had led to dialogues with others within the organisation, in order to come to a consensus on how the business was performing for a particular standard.

Because of the subjective nature of the self-assessment process, some organisations had struggled somewhat in deciding how to rate themselves against the maturity scales, particularly when the organisation's practices seemed to fall between two ratings. Where this was the case, several organisations opted to err on the side of caution and rated themselves as being at the lower of the two points on the scale, while others took a more positive approach and gave the organisation the higher rating.

Many participants commented that, in some cases, variations in the wording between the different points of a rating scale also introduced uncertainty as to how to rate their organisation.

#### **B. Providing insights and effective guidance on improving health and safety understanding**

Many of the SSR Pilot participants viewed the self-assessment as a productive and helpful exercise in providing insights and effective guidance to improve health and safety understanding and practices.

One organisation noted that it was a particularly effective tool to assess their organisation's health and safety leadership, as well as the employees' engagement with health and safety. This was particularly the case in relation to staff wellness, and identifying and addressing fatigue among individuals. The same employer also noted that the self-assessment process had given them the opportunity to engage with the organisation's senior leadership team, in order to better address these issues.

Several participants observed that the five-star rating graphic in the self-assessment report, which summarises an organisation's performance across all 15 standards, was helpful in providing them

with a snapshot of their organisation's current health and safety culture. This was particularly the case when combined with the suggested recommendations in the self-assessment report.

Some Pilot participants commented on the usefulness of the online self-assessment tool's supporting information material, as well as the links to additional guidance resources that were included in the self-assessment report.

More than one organisation envisioned that the self-assessment process could be used by large organisations for benchmarking different parts of the business and to drive continual improvements to health and safety practices.

In contrast, several organisations noted that, rather than providing new insights and effective guidance for improving health and safety understanding and practices, the self-assessment process had given them assurance that their current systems for identifying and driving improvements were on the right track.

**C. Participants consider the SSR Pilot's standards, thresholds, guidance and indicators as appropriate to their organisational and health and safety contexts**

Part of the discussion with Pilot participants, regarding both the self-assessment and the onsite assessment processes, was whether they thought having 15 standards provided good coverage across all aspects of organisations' health and safety practices.

Many participants reported that the SSR's 15 standards did, in fact, provide a comprehensive picture of both their organisation's leadership's and employees' levels of engagement with health and safety. For a number of participants, the self-assessment process provided insights in to the robustness of their current risk assessment and risk management practices. One organisation in particular noted that the 15 SSR standards, as well as the cascading scoring system of the maturity scales, reflected their own approach in terms of conducting internal gap analyses.

Despite the views of some participants that the 15 standards enable a comprehensive overview of an organisation's health and safety practices and culture, more than one employer commented that there was a certain degree of overlap between some of the standards.

Where this was the case, they questioned whether some standards could be rationalised or folded into another standard, particularly when it came to summarising an organisation's performance in the self-assessment report. An area where this might apply is the five standards in relation to risk identification, assessment and management.

**2. Extent to which the self-assessment process supports businesses' intentions to improve health and safety performance**

In addition to facilitating an evidence-based assessment of an organisation's health and safety performance, the SSR self-assessment should ideally identify areas where improvements can be made and provide employers with guidance as to how these improvements might be implemented.

With regard to this, several Pilot participants reported that the self-assessment process specifically highlighted areas where they could make improvements to their business's practices.

Specific areas for improvement that these Pilot participants noted included:

- ◆ Risk assessment and management
- ◆ Emergency response plans
- ◆ Supplier and subcontractor management processes
- ◆ Health monitoring
- ◆ Health and safety leadership and goals.

Other Pilot participants reported that while the self-assessment process was a good tool for checking how their organisation was performing, it had not specifically highlighted areas where improvements were required. This was particularly the case for businesses that were later identified through the onsite assessment as having relatively "mature" health and safety practices and systems.

A couple of employers said they did not feel that the self-assessment process had resulted in any new key learnings or insights regarding their health and safety practices. In some cases, this was due to the organisation having recently undertaken its own review and risk assessment of current practices, or having recently been audited under a different health and safety management initiative.

### **3. Extent to which the self-assessment process appears to increase businesses' understanding of, and confidence in, good health and safety management**

Pilot participants were also asked whether they felt the SSR Pilot's self-assessment process had provided them with a degree of confidence and assurance that their business was taking practical steps to ensure good health and safety management practices and reduce the risks of injury and harm to its employees.

Regarding this, several employers provided positive comments in relation to how the self-assessment process had instilled a degree of assurance and confidence in their current practices, with more than one noting that it had helped to validate recent efforts and investment by the business in this area. A few participants also reported that participation in the SSR self-assessment process had provided the organisation with a preview of what might be expected under the new health and safety legislation.

In contrast, a few Pilot participants were more circumspect, and did not feel that the self-assessment process had resulted in any significant learnings for the business, nor had it improved their confidence and assurance in regard to health and safety management.

Where this was the case, participants' reasons differed. For one participant, the self-assessment was seen as a subjective exercise in comparison with assessments that are undertaken by an independent external party.

For another participant, it was the subjective nature of the self-assessment combined with the organisation already undertaking a large number of audit-related activities on an ongoing annual basis. Another employer conceded that perhaps the lack of usefulness of the self-assessment process for their organisation may have been due, in part, to the manner in which they had approached the self-assessment.

## **Relevance of SSR Pilot self-assessment process to participating employers**

For the purposes of the evaluation, relevance of the SSR Pilot self-assessment process was considered in relation to three areas:

1. Do Pilot participants see the self-assessment process as being 'user-friendly'?
2. Does the SSR Pilot use appropriate language that is easy for businesses to understand?
3. Are businesses satisfied with the length of time it takes to complete the SSR self-assessment?

The following sections address each of these questions, based on the views expressed by Pilot participants.

### **1. Extent to which the self-assessment process is seen as being user-friendly**

Pilot participants' feedback on the user-friendliness of the self-assessment process touched on two broad themes:

- a. The quantity and accessibility of information in the standards and supporting documentation.
- b. The ease with which they could rate their organisation in relation to the standards, including the relevance and perceived utility of the maturity scales.

#### **A. The quantity and accessibility of information**

Pilot participants were provided with a number of documents to support them in preparing for and completing the self-assessment:

- ◆ The SSR Pilot Standards
- ◆ The SSR Maturity Scales
- ◆ The guide to the SSR Pilot Standards

◆ The SSR Infographic.

In addition, both the guide to the SSR Pilot Standards, as well as the online self-completion tool, included a number of references and links to national and international information resources that were pertinent to the different standards.

Interviews with Pilot participants found that their use of these materials was varied. Several participants commented that the references and links to national and international resources were particularly useful.

Some participants also expressed a desire that the various references and resources be made available as a single document that could be printed and/or distributed to others, or accessed through a single online repository. A few of these participants specifically noted that having the reference resources available in a separate format, rather than being embedded in the online assessment tool or as URL links in a PDF document, would improve their accessibility for users when completing the self-assessment.

In some cases, Pilot participants commented that they were aware of many of these resources already. Where this was the case, they primarily based their self-assessment responses on the information that was available specifically within the online tool.

Some participants also commented that they found the descriptors associated with each of the SSR Pilot Standards, and/or the maturity scales, more than sufficient for the purposes of assessing their organisation's performance.

A few participants, however, felt that the guidelines and supporting materials were not particularly informative. Several expressed the opinion that a health and safety professional should know about these resources already and that they should be able to complete a self-assessment based on their own knowledge of the organisation's performance.

Several participants also felt that there was too much documentation and reference material for a self-assessment exercise, and perhaps some of it could be rationalised.

**B. Ease with which participants could rate their organisation**

More than one participant described working through the online assessment as being a bit like 'completing a psychometric evaluation', noting that there were 15 standards, each of which had five scale points with varying numbers of bullet-pointed indicators in each.

Regarding this, more than one participant expressed a desire to be able to use a 'tick box' approach as they assessed their organisation against the different indicators in each standard.

As alluded to in the previous section (about the effectiveness of the self-assessment process as a tool for gaining insight into current practices and identifying areas for improvement), many Pilot participants felt that the way the indicators for different ratings within the maturity scales were worded and presented could have been more straightforward.

As previously noted, the manner in which the different indicators were structured also introduced a degree of subjectivity to the self-assessment process for some Pilot participants. An example of this can be found in relation to Standard 2: The business (with workers and representatives) develops a health and safety vision and goals. One of the indicators for meeting this standard (i.e. a rating of '3') is: "*Links its health and safety vision to the business's risk profile.*" The wording for the equivalent indicator for a good performance rating (i.e. a rating of '4') is subtly different: "*Links its health and safety vision **and goals** to the business's risk profile.*"

Similarly, the last indicator for a rating of '3' under Standard 2 is worded as follows: "*Has employees and managers who demonstrate health and safety leadership.*" For a rating of "4", the equivalent indicator is worded as follows: "*Has **workers (including contractors)** who demonstrate health and safety leadership.*" This higher rating would appear to exclude management, but require a demonstration of leadership from contractors.

Another issue with the maturity scales that was identified by several Pilot participants relates to the inclusion of contractors in some indicators to achieve the higher ratings for several of the standards (e.g. Standards 2, 3, 6, 8, 9, 11, 12 and 14).<sup>2</sup> For some participants, contractors are generally not part of the business's operational model. In such cases, it would be helpful if guidance was included in the instructions, or as a footnote to the relevant maturity scales, as to how they should then rate their organisation.

A couple of other participants, who did use contractors, suggested that having one or two standards specifically about the management of contractors and suppliers might be more helpful.

## **2. The use of appropriate language that is easy for businesses to understand**

Frequent feedback from Pilot participants indicates that the self-assessment process would benefit from the use of more simple straightforward language. This criticism applied to both the standards and the maturity scales. This is particularly the case for participants who see the self-assessment as a tool that could be used by non-health and safety experts to assess their business's performance.

More than one participant, whose role was health and safety-focused, also conceded they had struggled in interpreting the intention of some of the standards and rating scales. On this, one

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<sup>2</sup> Of note, Standard 7, sub-point 7.3 states: *The business (with workers and representatives) measure the health and safety performance of contractors.* However, none of the indicators for the different ratings for Standard 7 explicitly mention the measurement of contractors' health and safety performance.

participant commented that after reading the self-assessment documentation, she felt that she was the only one in the organisation who would really understand what was being asked and be able to answer from a knowledgeable position.

There is also some indication that, had the language in the self-assessment been simpler, more of the Pilot participants would have involved a broader range of staff in completing the self-assessment.

### **3. Business's satisfaction with the length of time taken to complete the self-assessments**

Pilot participants were asked to estimate how much time they spent in preparing for and completing the self-assessment, as well as to identify what time, if any, was spent by others they had consulted with in the organisation.

Among the participants who completed the self-assessment on their own, the time involved ranged from one or two hours to as much as one day. For those participants who opted to involve multiple people within the business, the overall time spent on the exercise at the organisational level was significantly higher.

An example of this is the Pilot participant who held a series of workshop meetings with their senior management, health and safety committee, and staff from the factory floor over a series of two to three weeks. This involved approximately 18 staff from across the organisation, plus the human resources manager and the internal health and safety consultant. On average, the participant estimated that a typical session was two and a half to three hours in duration. This translates to between 50 and 60 staff hours in assessing the business's performance, plus the time spent by the employer to then enter the information and upload the supporting documentation into the online assessment tool.

Despite this, and as noted earlier, most participants reported that they felt the self-assessment process was a worthwhile exercise for their organisation to undertake, and did not express high degrees of dissatisfaction, per se, at the amount of time that was involved. With regard to this, more than one participant also commented that the time involved in completing the self-assessment was not particularly different from that spent on other audit-related activities that their organisation regularly undertakes.

In contrast, a number of participants did express some dissatisfaction at the time spent, particularly in relation to working through the supporting reference material. Frequently, this latter group were the same participants who reported that the self-assessment had not resulted in any new learnings or key insights about the business's health and safety performance.

## **Respondents' recommendations for how SSR self-assessment could be improved**

Pilot participants were asked what recommendations they had for improving the SSR self-assessment process. Generally, feedback did not focus on improving the self-assessment process so it could better ascertain the effectiveness of their current systems, or better identify areas for improvement. This is due to most Pilot participants feeling that, in its current form, it is meeting those objectives.

Rather, most participants' recommendations for how the self-assessment tool might be improved reflected the feedback they provided in relation to the relevance of the tool for their organisation, particularly in relation to its user-friendliness, for example

- ◆ Decreasing the amount of supporting reading material (or making this information available as a separate resource).
- ◆ Simplifying the language and terminology used in the self-assessment process so that the tool could be used to facilitate health and safety discussions with a wide range of staff within an organisation.
- ◆ Making the maturity scales easier to work with, so that businesses can more readily rate their current performance.

# Safety Star Rating Onsite Assessment and Onsite Assessment Report

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The independent onsite assessment looked at how the businesses performed against the 15 standards by tracing three key risks from senior management through to staff and contractors. One of these was an occupational health risk.

Each assessment was undertaken by SSR assessors and took two to three days depending on the business. Based on the assessment observations, businesses received a report with a rating (between 1 and 5 reflecting increasing levels of performance) for each standard, an overall performance rating and tailored recommendations and guidance on how to improve.

This chapter of the report examines Pilot participants' feedback on the effectiveness and relevance of the SSR Pilot's onsite assessment process.

## Summary of key findings

1. Almost all Pilot participants reported that the onsite assessment's deep slice approach was a very effective means to judge an organisation's current health and safety practices and culture. Key to this is the focus it places on engaging with a wide range of staff in the organisation about current health and safety practices.
  - a. The onsite assessment also provided Pilot participants with a greater sense of the degree of engagement that different levels of staff in the organisation have in relation to workplace safety and occupational health, and identified areas where there is a disconnect, between the views of management and frontline staff.
2. One of the main strengths of the onsite assessment is its emphasis on behaviour, risk identification and risk management, rather than documentation systems. In relation to this, many participants made specific comparisons between the SSR approach and systems such as ACC's WSMP Scheme, the Accredited Employer Programme or various non-New Zealand-based systems, such as those promoted by ISO.
  - a. As was the case with the self-assessment process, the onsite assessment identified risk assessment and risk management as areas where many participants needed to make improvements. In addition to these two areas and the management of subcontractors, other areas where some businesses needed to improve were: health monitoring, emergency management, the development and reporting of lead indicators, resourcing for health and safety, health and safety leadership, and the organisation's health and safety vision.
3. Many of the Pilot participants said the onsite assessment process had provided them with greater assurance that their business was taking practical steps to ensure good health and safety management practices.

4. Almost all the Pilot participants felt that the SSR onsite assessment was, for the most part, 'user-friendly', particularly in comparison to other health and safety schemes they had experienced.
  - a. Pilot participants provided positive feedback on the manner in which the assessors handled themselves, and it was noted that the assessors' friendly and open approach helped to facilitate the sharing of more transparent and better quality information from their workforce.
5. In line with participants' views on the general user-friendliness of the onsite assessment process, for the most part Pilot participants reported the level of language and tone used by the assessors was easy to understand and appropriate for the organisation and its staff.
  - a. Despite this view, it was noted by more than one participant that the assessors need to modify their approach and the level of language used (e.g. terminology), depending upon what level of the organisation they are engaging with.
6. Compared to other health and safety assessments and audits, the amount of time spent preparing for the SSR Pilot onsite assessment was viewed favourably by most of the participants, with many participants noting that it took very little time or effort on their part to organise.
  - a. Many of the participants reported that the amount of time their business invested in the onsite assessment was not too burdensome, given that, in most cases the interviews and focus groups involved only one or two hours of individual managers' and staff members' time.
  - b. However, a few participants did express the view that for a smaller business with fewer staff resources, the time involved might be problematic and would discourage them from doing the onsite assessment on an annual basis.
7. Almost all Pilot participants reported that some, or all, of the suggested improvements to their health and safety practices and systems were relevant and, in time, achievable.
8. Pilot participants' recommendations for improving the SSR onsite assessment process covered five broad but somewhat interrelated areas:
  - a. Making the onsite assessment report more user-friendly, so it is accessible to a range of different audiences within an organisation.
  - b. Ensuring that that the main risks pre-identified by businesses are well covered during the assessment, in addition to other areas that the assessors feel may require attention.
  - c. Many Pilot participants felt there were certain advantages to incorporating some degree of documentation verification (similar to that of WSMP) in the SSR assessment process.
  - d. Some Pilot participants also reported that, given the focus of the new legislation, having one or more standards in the SSR initiative that were specifically focused on contractor

management and PCBUs working with other parties could help to strengthen businesses' performance in that area.

- e. Participants were almost unanimous in their views that the assessors' experience and skills in engaging with a range of different levels of staff in the business are key to the success of any onsite assessment process.

## **Effectiveness of the onsite assessment component of the Safety Star Rating Pilot**

Feedback was sought from Pilot participants on the effectiveness of the SSR Pilot's onsite assessment process and the onsite assessment reports in relation to three areas:

1. The effectiveness of the onsite assessment process in facilitating an evidence-based judgement of businesses' health and safety performance.
2. The extent to which the onsite assessment process supports businesses' intentions to improve health and safety performance, particularly in the short term.
3. The extent to which the onsite assessment process appears to increase businesses' understanding of, and confidence in, good health and safety practices.

### **1. Facilitating an evidence-based judgement of an organisation's health and safety performance, and driving improvements**

To ascertain whether the onsite assessment process facilitates an evidence-based judgement of an organisation's health and safety performance, feedback was sought from Pilot participants regarding whether:

- a. The onsite assessment process was useful in relation to making sound judgements about their organisation's strengths and weaknesses.
- b. The onsite assessment provided insights in relation to current issues in the business, and how to improve health and safety performance.

#### **A. Facilitating an evidence-based judgement of an organisation's health and safety strengths and weaknesses**

Almost all Pilot participants reported that the onsite assessment's deep slice approach was a very effective means to judge an organisation's current health and safety practices and culture. Key to this is the focus it places on engaging with a wide range of staff within the organisation about current health and safety practices.

Many of the participants commented that the deep slice method was the best way to get a good sense of an organisation's performance, particularly when it has multiple sites with different operational focuses (e.g. production vs. distribution vs. head office and sales).

Others expressed confidence that the onsite assessment's deep slice approach provides a clearer sense of an organisation's health and safety culture as it collects feedback from all levels of the business, rather than just focusing on the views of one or two people who are specifically involved in the management of health and safety.

The onsite assessment also provided Pilot participants with a greater sense of the degree of engagement that different levels of staff in the organisation have in relation to workplace safety

and occupational health, as well as identifying areas where there is a disconnect between the views of management and those of frontline staff.

Others noted that the inclusiveness of the deep slice approach also ensured that staff working non-daytime shifts, or weekend shifts, also had an opportunity to participate in the onsite assessment. Where this was the case, more than one participant noted that this was a particular strength when compared with health and safety system audits that rely on documentation reviews and focus groups.

One of the main strengths of the onsite assessment was its emphasis on behaviour, and risk identification and risk management, rather than documentation. In relation to this, many participants made specific comparisons between the SSR approach and systems such as ACC's WSMP Scheme, the Accredited Employer Programme and various non-New Zealand-based systems such as those promoted by ISO.

With regard to this this, it was noted by several participants that, while the documentation-focused approach of alternative systems does have a place in a business's health and safety management system, documentation alone does not provide robust insights into the nature of risks within the business that could result in injury or negative health outcomes. It also does not provide a measure of the likelihood of those risks occurring and their potential severity, and/or whether they are being well managed by the business.

Other SSR strengths that participants noted include a better alignment with the new health and safety culture that some organisations were trying to achieve, particularly in light of the health and safety legislation, which came into effect this year. An example of this is a large multi-site employer who noted that it was critical in this day and age to ensure that staff are made to feel supported, and that their wellbeing is important to the business, in whatever they are doing at work.

Other participants also commented that the onsite assessment's approach further reinforced recent efforts by the business to encourage employees to take greater ownership in managing health and occupational safety in the workplace.

Perhaps an unintended outcome of the SSR Pilot was the sense among employers that the deep slice approach was particularly empowering for some employees, both in relation to communicating to staff that the business not only takes their health, safety and wellbeing very seriously, but also that the business values their views on how practices can be improved.

Gaining an outside perspective 'through the eyes of the Regulator' was also viewed as a positive element of SSR. In relation to this, one participant noted it was easy to become complacent and not make as much progress on implementing improvements as one should and used the analogy of buying a new house: "When you move in, you see all of the things you want to change, but after a month or two, you don't notice those things as much."

Several other participants also saw it as advantageous that an external third party is able to assess their current practices in managing risks and employee wellbeing, give feedback on how other employers are managing and dealing with those same risks and issues, and provide sound advice for making improvements.

Another possible unintended outcome of the deep slice approach for some participants was that it instilled an impression that WorkSafe was there to “help them do better”, by giving the Regulator more of “a human face”.

**B. Providing insights and effective guidance on improving health and safety understanding and practices**

A core aim of the SSR Pilot was to provide participants with insights in to, and effective guidance on, improving health and safety understanding and practices in the workplace. While the previous section discusses participants’ views on the merits of the deep slice approach, this section looks specifically at areas of strengths and weaknesses that were identified during the process.

Several Pilot participants commented that the SSR onsite assessment had been a learning experience for the organisation’s senior management, highlighting a degree of disconnect between management’s views on the robustness of the organisation’s practices and what is actually happening throughout the business.

In some cases, management’s participation in the onsite assessment was seen as particularly useful because it gave management a clearer understanding of both the proposed SSR initiative, as well as the new health and safety legislation’s focus on risk assessment and management and the increased accountability that businesses have for the actions of their key contractors and subcontractors.

As was the case with the self-assessment process, risk assessment and risk management were areas where many participants conceded they needed to make improvements. In addition to these two areas and the management of subcontractors, other areas where the onsite assessment highlighted a need to improve in some businesses were:

- ◆ Health monitoring
- ◆ Emergency management
- ◆ The development and reporting of lead indicators
- ◆ Resourcing for health and safety
- ◆ Health and safety leadership and the organisation’s health and safety vision.

In a few cases, some Pilot participants disagreed with some of the onsite assessment’s findings about how the business was currently managing risk.

Two such participants felt that the assessors’ findings were based on something they had observed during the onsite visit combined with a lack of understanding of their particular industry/sector

(e.g. international industry-specific standards in relation to different PPE requirements for handling substances with different degrees of health risks). This was noted as something that a generalist might not understand, but that someone with industry-specific expertise would know.

Two other participants felt that the assessors had misconstrued, or taken out of context, a statement by an employee relating to a historic incident, or a pet peeve mentioned during an interview or focus group. These issues were subsequently commented on in the written report as an ongoing issue or practice in the business, when this was not the case.

In all four of these cases, the participants felt it would have been ideal if the assessors had raised their concerns during the verbal debriefing at the end of the onsite visit, or followed up with the employer to confirm the veracity of the issues prior to documenting them in a report of record.

For two of these employers, concerns about the management of particular hazards were raised which the employers were well aware of and for which they had put sufficient systems in place to minimise or isolate the risk. Both employers commented that had the auditors reviewed the business's WSMP documentation, they would have seen that effective controls existed to deal with the highlighted risks.

## **2. Extent to which the onsite assessment process supports businesses' intentions to improve health and safety performance**

As noted in the above discussion, many participants reported that the SSR Pilot's onsite assessment identified areas where their business needs to, or could, make improvements to their health and safety practices and systems. This section specifically looks at planned, or already implemented, improvements to Pilot participants' practices as a result of the onsite assessment.

While some Pilot participants had only received the onsite assessment report a few weeks prior to being interviewed for the evaluation, many stated they had already begun or were about to start implementing some of the recommended changes. Areas identified by participants included changes to physical workplace practices and configurations, reducing the risks associated with manual handling and stacking of pallets, increasing the visibility of senior management, and dealing with workplace occupational health and safety issues.

One organisation has begun implementing a significant number of actions to address issues of physical and mental fatigue among its shift workers, including the setting up of a working group to identify and address the root causes of fatigue-related issues in the business, undertaking an in-house wellness survey and contracting an occupational health specialist to provide advice on ergonomics and lighting design.

Another organisation noted that one of the outcomes of their SSR Pilot onsite assessment included plans to incorporate mechanisms and controls to deal with occupational health risks as part of their ongoing risk assessment and risk management processes.

One organisation noted that at the company's already planned annual get-together, a review and update of the organisation's health and safety goals would feature prominently as an activity to involve all staff.

Two organisations reported that, as a result of participating in the SSR Pilot, various plans for capital expenditure had either been brought forward or were under review in order to incorporate

some of the onsite assessment's recommendations to the reconfiguration of their respective workplaces.

The onsite assessment identified a number of occupational health and safety risks as being areas where some Pilot participants could improve their practices. The issues that were identified included noise, exposure to dust and particulates, potential exposure to solvents, chemicals or other toxins, and lifting and manual handling.

Several participants whose businesses had been singled out in relation to these issues said they were now working to resolve them. In most cases, the presence of the occupational health risks were already known, but having them highlighted in the assessment findings helped to escalate their importance in these businesses' schedules of work.

On this, one company where silica dust was identified as an issue developed a Toolbox Talk specifically focused on the topic, as well as a number of visual resources to remind staff how to limit their exposure through the proper use of PPE and being more diligent about isolating and removing the dust when it is observed onsite. Another organisation noted that the onsite assessment's findings and recommendations in relation to asbestos at one of its work sites had provided the health and safety team with greater leverage to get the issue addressed.

Other occupational health risks that participants said their businesses were addressing as a result of participation in the SSR Pilot included: noise, lifting and manual handling, and the implementation or expansion of health monitoring of workers.

The need to develop more robust emergency management procedures was also identified as an area where some participants could be performing better. One such organisation reported that, as a result of participating in the SSR Pilot, they had consulted with the local fire brigade in order to better manage the extraction of workers from unsafe confined spaces in an emergency.

Several participants were also in the process of reviewing their procurement policies and procedures for assessing the health and safety performance of key contractors, as well as looking at ways to better incorporate their contractors into the ongoing management of health and safety risks.

### **3. Providing businesses with increased confidence or assurance**

Another objective of the SSR Pilot was to provide participating businesses with an independent, qualified and objective assessment about whether they are taking practical steps to ensure good health and safety management practices.

As was found in relation to the self-assessment process, a number of participants noted that the onsite assessment process had, in fact, provided them with a degree of assurance that their business was on the right track. A few participants specifically noted that the onsite assessment had validated their recent efforts to update and better align their practices with the new health and safety legislation. This was particularly the case for those businesses which, based upon their assessment ratings, would appear to have more 'mature' and robust practices already in place.

In addition to identifying areas where Pilot participants' businesses could improve, for many participants the onsite assessment process also identified a number of areas where their businesses were already performing quite strongly.

Frequently, these areas related to senior leadership's commitment to, and resourcing of, health and safety, good practice health and safety-related communication channels, the assessment and isolation of specific workplace hazards, and the reintegration of employees into the workplace following an injury or serious health-related issue.

One organisation was singled out for having what the assessors considered to be best practice pedestrian and vehicle traffic management. Another organisation was noted as having particularly strong systems and practices in place for managing chemical risks onsite.

## **Relevance of the SSR Pilot onsite assessment to participating businesses**

As with the self-assessment process, the relevance of the SSR Pilot's onsite assessment is being evaluated against several indicators, including:

1. Pilot participants see the onsite process as being 'user-friendly'.
2. The SSR Pilot uses appropriate language that is easy for businesses to understand.
3. Pilot participants are satisfied with the length of time taken to complete the SSR onsite assessment.
4. Pilot participants consider that any proposed health and safety improvements suggested through participation in the Pilot are relevant and achievable.
5. Businesses intend to adopt the SSR Pilot improvement recommendations.

The following sections address each of these indicators, based on the views expressed by Pilot participants.

### **1. Extent to which onsite assessment process is seen as being 'user-friendly'**

Almost all the Pilot participants who were interviewed said they thought the SSR onsite assessment was user-friendly, particularly in comparison to other health and safety schemes they had experienced.

As observed earlier, SSR's lack of focus on documented systems and paper trails was noted as being particularly refreshing, with several participants commenting that the onsite assessment did not feel like an audit at all, and therefore it did not take much time for them to prepare for it.

In addition, almost all the Pilot participants provided positive feedback on the manner in which the assessors handled themselves while onsite, and in their dealings with the organisation's staff. It was also noted that the assessors' friendly, open and non-audit like approach would have facilitated the sharing of more transparent and better-quality information from the organisation's staff.

A number of the participants received positive feedback from both management and non-management employees that the onsite assessment interviews and walkabouts had been enjoyable, and their staff really valued having someone from outside the organisation come onsite, listen to them and take their views on board.

For the most part, the fact that the assessors were generalists rather than industry-specific specialists was not seen as being a negative, per se. This enabled the assessors to engage in conversations with staff onsite about what they were doing, discuss what the staff felt were the risks inherent in their work, and enable staff to express their views on whether or not those risks

are being well managed. Importantly, the assessors' ability to develop a good rapport with onsite assessment participants was seen as being much more important than having expertise in a particular industry.

However, it was noted by a few participants that if two assessors were involved in an onsite assessment, and one of the assessors did have industry-specific expertise to complement the facilitation skills of the other, this might result in further insights for driving health and safety improvements.

## **2. The SSR Pilot onsite assessment uses appropriate language that is easy for businesses to understand**

In line with participants' views on the general user-friendliness of the onsite assessment process, for the most part Pilot participants reported the level of language and tone used by the assessors was easy to understand and appropriate for the organisation and its staff.

Two participants, however, did express some concerns in relation to the use of appropriate language. In one case, an assessor had asked to speak to a particular staff member away from the assembly line to talk about what they were doing. The staff member in question had certain difficulties when it came to comprehending spoken English, and later expressed concerns to his manager that he wasn't sure he had understood the assessor's questions and thought perhaps he had answered their questions incorrectly as a result.

The same employer later noted that in a group interview with a range of different staff, the assessors had used a number of terms including 'lead' and 'lag' indicators and 'formalised corrective actions' that, while familiar to a health and safety manager, would not have been very meaningful to the average person on the frontline, nor even their supervisors.

The other participant who expressed some concerns about the use of appropriate language said that she had received feedback from two of her managers that the assessors' approach to asking questions and the language and terms they used were viewed as somewhat informal and that a more business-like approach would have been preferred by these managers. She noted that it would have been better had the assessors kept in mind who they were speaking with in the organisation, and to adjust the approach and language they used accordingly.

One Pilot participant noted they had anticipated that some of their employees might have some difficulties with the language and terminology associated with other health and safety management systems the organisation was involved in. To overcome this, the business had held some sessions with their staff to ensure that they understood exactly what was going to be involved, and to 'just decode some of the health and safety language'.

### **3. Businesses are satisfied with the length of time taken to complete the onsite assessment process**

Compared to other health and safety assessments and audits, the amount of time spent preparing for the SSR Pilot onsite assessment was viewed favourably by most of the participants, with many noting that it took very little time or effort on their part to arrange access to staff (i.e. a few hours), compared with the several days' of work they would normally put into preparing all the documentation for their WSMP audit.

In contrast, three of the Pilot participants reported spending a significant amount of time briefing and preparing their business's staff about the upcoming onsite assessment.

One of these participants reported that this had been due to a desire to ensure their staff were comfortable with the process and that they not feel intimidated by having 'WorkSafe come to talk to them'. Another participant said they had spent a fair amount of time preparing information packs and briefing management and staff as a result of their previous experience in preparing for other health and safety audits. The third participant who reported spending a fair amount of time in preparing for their onsite assessment noted that this had involved arranging permission and getting consent from various lead contractors working on their construction sites.

Most Pilot participants reported that the onsite assessment took two to three days and, depending upon the organisation and number of sites that were covered, between 20 and 100 hours of staff's time.

Many of the participants reported that the amount of time taken was acceptable to their organisation, particularly for the purposes of trialling a new health and safety initiative. Where this was the case, the participants did not feel that the amount of time invested was too burdensome for a business such as theirs, particularly given that, in most cases, it only involved one or two hours of individual managements' and staff members' time.

In most cases, the opportunity costs of having 'X' hours of non-productive employee time was viewed as being a cost the business 'could wear'. However, a few of the participants did express views that for a smaller business with fewer staff resources, the time involved was more problematic and it was not something that they could envision their organisation doing on an annual basis.

### **4. Businesses consider that any proposed health and safety improvements suggested through participation in the Pilot are relevant and achievable**

As noted previously, the Pilot identified a number of areas where improvements were required, or could be made, in relation to the SSR's various health and safety standards. Frequently identified areas included risk assessment and risk management and the management of subcontractors. Other areas where some participants required improvements included:

- ◆ Health monitoring

- ◆ Emergency management
- ◆ The development and reporting of lead indicators
- ◆ Resourcing for health and safety
- ◆ Health and safety leadership and the organisation's health and safety vision.

Almost all Pilot participants reported that some, or all, of the suggested improvements to their health and safety practices and systems were relevant and, in time, achievable. For example, one participant noted that all of the suggested improvements were relevant to their organisation and, as a result, these had been used to inform the development of their plan of work for the coming two years.

In some cases, Pilot participants reported that many of the SSR assessment's recommendations aligned with improvements that the business was already planning to implement. Moreover, some of these participants noted that many of the additional recommendations in their report were also relevant to the business, and approval was being sought to include these in future work plans.

Another participant was also in the process of sending all health and safety representatives to Health and Safety Representative training, specifically as a result of a suggested recommendation in their onsite assessment report.

Two participants, who had only recently received their onsite assessment reports before they were interviewed, noted that all the recommendations in their report were relevant to the business. They were now in the process of developing implementation plans that would first focus on those areas where their respective businesses had been rated as 'needing improvement', after which they would look at addressing the recommendations for areas where they were currently rated as already meeting standards.

A couple of Pilot participants' assessments identified that their businesses would be better suited if they had greater in-house expertise in order to address engineering and maintenance better. One of these organisations had already been looking to employ a full-time engineer to manage maintenance of the business's plant and equipment, instead of contracting the work in as required. Shortly after receipt of the report, the business employed a suitable candidate. The other business was in the process of assessing their maintenance and support requirements and would be discussing greater resourcing for engineering with management.

Despite acknowledging that many, if not all, of the onsite assessment's recommendations were relevant, it was noted by several participants that some would need to be deferred, given the need to prioritise others. Regarding this, many Pilot participants noted that their reports contained a significant amount of recommendations, both in relation to performance standards where improvements were required, as well as those areas where they had been assessed as being a '3' or higher". The need to first prioritise the required improvements over suggested changes, for reasons of staff resourcing, as well as financial costs, was further highlighted by several of these participants.

An example of this is one organisation that reported they did not have issues with any of the suggested improvements in their report. However, they noted that because there were so many suggestions in their assessment report, they were unsure as to which ones should be prioritised. For example, their assessment identified that changes were required to lift their performance from 'needs improvement' to 'meets standards' in relation to several standards. They noted that it would have been helpful if the report had identified which of the recommended improvements were required to meet those standards, and which recommendations were associated with achieving 'good' or 'high' performance marks.

Some Pilot participants noted that certain of the recommendations in their onsite assessment report were 'nice to haves', but not particularly practical, given their size or the logistics that would be required to implement them. An example of this would be an organisation that was reliant on drivers operating throughout the country. They acknowledged that while it would be preferable to have these workers represented on the health and safety committee, this was not practical as they were generally not onsite, and when they were it was rarely at a time when committee members from other parts of the organisation were available to meet. In order to address this issue, the team responsible for scheduling and dispatching drivers was expected to also represent the drivers' health and safety interests on the committee.

For another organisation, the suggestion that the business consider joining the Business Leaders Health and Safety Forum was seen as laudable, but, from a time and cost perspective, not a practicable proposition given the business's size and geographic location. Similarly, one relatively small organisation noted that developing an anonymous system for reporting incidents was also impractical given the size of the business (i.e. any recommendation having to do with a specific part of the business would make it quite easy to identify who had suggested it).

In a few cases, Pilot participants felt that some of the recommendations for improvements in the onsite assessment process were irrelevant or could not be practically implemented due to the nature of the business.

An example of this would be providing key contractors with a list of the organisation's approved contractors and their contact details. This recommendation was noted as being not feasible, on the basis of privacy and consent issues, as well as issues of commercial sensitivity that having such a list in circulation would create.

Another organisation was under the belief that the recommendations in their onsite assessment report had been generated by computer, or were taken from a 'general' list of pre-existing recommendations. Regarding this, the organisation noted that if this were not the case, then the report's recommendations reflected a clear lack of understanding on the assessor's part of the organisation's industry, as many recommendations did not seem to be relevant to their sector.

## **5. Businesses intend to adopt improvement recommendations**

As indicated from some participants' feedback earlier in this report, many of the Pilot participants said they had either developed a plan of work for implementing various recommendations from the SSR Pilot, or were in the process of sharing the onsite assessment's results with others for the purposes of developing such a plan.

In some cases, these plans were fairly advanced and participants were in the process of socialising these throughout the organisation via meetings, the company's newsletter, site visits by members of the company's Board of Directors, and internal training sessions with staff.

In other cases, the report and recommended improvements were in the process of being reviewed by the Board of Directors, the Chief Executive's office and/or other members of the senior leadership team, in order to develop an action plan or programme of approved work. However, it was expected that most of the recommendations would be seen as valid by management, and their implementation was likely to be ultimately approved.

Several participants also reported that the business was involving its health and safety representatives in developing plans for how to implement the recommended improvements.

A couple of participants noted that they had taken the onsite assessment recommendations on board, and were in the process of prioritising those areas that were specifically linked with recent changes to the health and safety legislation and the increased responsibilities of PCBU's. For more than one organisation, this involved first upskilling middle and senior managements' understanding of their responsibilities in relation to health and safety leadership.

## **Respondents' recommendations for improving the SSR onsite assessment to better assess health and safety performance and support improvements**

Pilot participants' recommendations for improving the SSR Pilot covered five broad, but somewhat interrelated areas:

1. Most frequently, Pilot participants felt that the onsite assessment report could be made more 'user-friendly', so that it is accessible to a range of different audiences within an organisation. With regards to this, the quality of reporting evolved over time, and feedback on reports produced during the latter part of the Pilot was generally more positive than that noted by participants who received their reports earlier in the year.

There are also some potential enhancements, noted below, that would increase the reports' usefulness as well as help end-users better understand the context of the findings and overall score.

Firstly, it should be noted that the WorkSafe, ACC and MBIE co-branding of the report is viewed as a strength, and this aspect should be retained. Respondents felt that having all three of the lead agencies' brands prominently displayed in the report gives it a degree of weight and credibility. Therefore, this co-branding should continue in the future.

The Executive Summary should continue to maintain a focus on the high-level key findings – i.e. it is not necessary to summarise findings for each of the 15 standards. Instead, it should include a brief summary of those standards where the organisation is performing well, followed by areas where improvements are required.

It was also noted by several participants that placing the summary of recommendations at the end of the Executive Summary would also be advantageous (it currently is located in Appendix 1). This would allow participants to produce a single short document that could be circulated/presented to senior leadership, and/or be used as a convenient reference document when engaging with other parts of the organisation.

Many participants did not understand how the assessors arrived at the overall assessment score for their organisation. If information about the overall scoring system were included within the Executive Summary, rather than referring readers to an online resource, it would help to alleviate some of this confusion. Alternatively, the information could be incorporated into the Appendices, and referred to in the Executive Summary.

Another suggested recommendation, which relates to both the report and some participants' comments on the general focus of the onsite assessment, is to ensure that the findings and recommendations in the Executive Summary cover all three main risks that the business had nominated as being the purpose for the assessment, in addition to any other findings.

Several participants also reported that it would be ideal if any recommendations for improvements for specific standards could be prioritised in order of importance, either in relation to the maturity scales or the degree/severity of risk. This would help them to prioritise

their own recommendations and resources to proceed with making improvements to the organisation's practices.

Finally, having a follow-up verbal debriefing to discuss the findings and provide participants with the opportunity to seek clarifications regarding the onsite assessment findings and recommendations would also be welcomed as a positive enhancement.

1. As alluded to above, several Pilot participants felt that once onsite, the assessors were more focused on looking for risks and issues that related to their own experience, or area of expertise, than the pre-identified risks (which are listed in the report as the purpose of the onsite assessment).

For some participants, this shift in focus undermined the perceived value of the process. Ideally, this should be better managed, so that participants' expectations are met, while the integrity of the overall purpose of the assessment is maintained.

2. The overall consensus is that the SSR approach is a more appropriate tool for assessing an organisation's health and safety performance in the current environment, when compared to other audit-based systems that were developed under the auspices of AS/NZ 4801.

However, many Pilot participants said they saw certain advantages in retaining some degree of documentation verification in the SSR assessment process, particularly given that many industry-related audit and pre-qualification systems require these. Some participants also felt that having a certain degree of documentation review/verification could also help to inform discussions with staff and management during the deep slice process.

3. Some Pilot participants also reported that, given the focus of the new health and safety legislation, having one or more standards in the SSR initiative that were specifically focused on contractor management and PCBUs working with other parties, rather than having aspects of contractor management incorporated to varying degrees in some of the different standards, could help to strengthen businesses' performance in that area.
4. Participants were almost unanimous in their views that the assessors' experience and skills in engaging with different levels of staff in the business are key to the success of any onsite assessment process.

However, while some participants' views were mixed as to whether or not assessors should have industry-specific experience in relation to the types of businesses they assess, it was acknowledged by many Pilot participants that, if an onsite assessment were to involve two assessors, pairing a generalist with good facilitation skills and someone with health and safety expertise in the appropriate industry sector would be ideal for driving further insights into improving practices.

# Perceived value of the SSR Pilot to businesses

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This chapter examines Pilot participants' feedback on the general value proposition of the Safety Star Rating initiative compared to other health and safety schemes, and whether Pilot participants would pay to participate in such an initiative.

Participants' views regarding which organisation or organisations would be the most appropriate to administer SSR, should it proceed, were also examined.

## 1. Perceived value of the Safety Star Rating Initiative

As reported by the Pilot participants, the primary value of the SSR initiative is in its ability to drive improvements in businesses' health and safety practices, particularly for businesses operating in a 'safety-critical' industry.

As highlighted in the previous sections of the report, the focus on behaviour and risk identification was clearly seen as being a significant improvement when compared with the traditional, compliance-focused approaches for managing workplace safety and occupational health.

Several participants commented that they could see something like the SSR initiative being a pre-qualification requirement for screening prospective suppliers and contractors, in the same way that some organisations currently look at WSMP accreditation.

However, in order for such a pre-qualification initiative to work in New Zealand, it was noted that the government would need to carefully communicate and promote the value of the initiative and what it actually means to both businesses and the general public. For example, more than one participant said they could see 'only having three stars' might be perceived as a negative by some players in the market.

It was also noted by a couple of participants that there were some inherent risks if a business were to seek SSR accreditation and it received a score of two stars or less. This could not only result in potentially negative commercial consequences for some businesses, but it could also put an organisation on the 'back foot' with the Regulator.

The idea of the potential procurement advantages that would accrue from being able to promote their business as having SSR accreditation was specifically noted by only a few of the Pilot participants. However, the same respondents conceded that when it came to bidding for contestable contracts with government, having the lowest price seemed to be the primary determinant. Should this continue to be the case, having a particular SSR rating would not necessarily translate into a commercial advantage when tendering for competitive contracts from government agencies and Crown Entities.

It was also noted by two of these participants that a non-SSR accredited competitor might have lower overall compliance costs as a result of not being accredited, giving them a competitive advantage on price. However, were an initiative like SSR to become mandatory for businesses of a particular size, then it would result in a more level playing field, as well as improve the overall safety performance of certain safety-critical sectors.

Several participants also noted that, should SSR proceed in some form, the primary benefits of driving continual improvement and providing a degree of assurance (as opposed to regulatory-focused audit tool), would need to be clearly communicated by government. Otherwise its uptake might be limited to the same market that has historically sought WSMP accreditation.

There was also some suggestion that SSR uptake could be driven in part by the private sector. With two participants noting that if their customers saw SSR as something that was ultimately beneficial to them as well, then businesses would be more likely to embrace it.

Regarding this, some could see value in what SSR might indicate to external parties about a company's values and internal culture, with more than one participant reporting that being seen as looking after your employees' best interests would always be viewed positively by the marketplace, as well as by prospective employees and the local community.

## **2. Perceived merits of SSR, compared to WSMP accreditation**

The majority of SSR Pilot participants are currently accredited under WSMP or ACC's Accredited Employers Scheme. Where this was the case, most participants conceded that should SSR proceed, it is unlikely that their business or organisation would want to participate in multiple health and safety accreditation schemes, with most saying they would discontinue participating in WSMP.

For the most part, this sentiment was linked to views that being WSMP-accredited, as it currently stands, does not necessarily equate to being a safe employer in many work environments, with more than one such participant noting that you can have WSMP tertiary accreditation and still kill people. Strongly linked to this position are views that WSMP's emphasis plays to the strengths of having good record-keeping practices, that the WSMP system is easy to 'game' and that, with a little effort, any organisation should be able to achieve secondary or tertiary accreditation.

This is not to dismiss the value of WSMP, per se, as several participants conceded that systems such as WSMP have had a positive impact in lifting health and safety performance in New Zealand by setting up systematic processes for managing certain aspects of health and safety in the workplace. However, what is missing from WSMP and many other current health and safety management systems is the focus on actual risks and behaviour in the workplace.

With regards to this, SSR's behavioural-based approach across the 15 standards was seen to be much better aligned with how businesses actually operate. Many participants highlighted the behavioural focus of SSR's approach as a much more robust process that actually examines how tasks in the workplace are being completed and if they are being completed in a safe manner. SSR was also seen by participants as being much better aligned with the focus of recent changes to health and safety legislation.

In addition to a general perception that SSR's focus on actual behaviour and businesses' health and safety culture makes it a more attractive and relevant proposition for businesses, there is the issue of the compliance costs associated with the internal resources that would be required to manage participating in more than one health and safety initiative as well as the costs associated with an annual or semi-annual assessment/audit. As such, the consensus was that participating in both would not be seen as economically feasible unless both clearly provided different 'additional value' to businesses.

A contrasting view shared by a few participants, however, was that WSMP is a known entity, and therefore means something in the marketplace when they are tendering for competitive work, whereas it may take a number of years until SSR is a 'mature' system that the market recognises. This further highlights some participants' earlier comments that government will need to actively promote and market the value proposition of SSR, its benefits, and what the different ratings actually mean in terms of a business's practices.

Given this, despite almost all Pilot participants' views that something like SSR should proceed, and they would likely opt for it over WSMP, a couple of the participants could envision their organisation participating in both WSMP and SSR. This was based on a position that the two initiatives could complement each other, with WSMP being retained as a framework for monitoring and reporting, while SSR could focus on driving continual improvements.

WSMP's other merit, when compared with SSR, is the associated levy discount, which for many participants is one of WSMP's most attractive aspects as it helps to offset part of the compliance costs associated with being involved in an accredited scheme.

### **3. Participants' willingness to pay for SSR, but with expectations that the initiative would be incentivised to some degree**

Most Pilot participants said they would pay for a SSR assessment, as long as it was viewed as providing value to the business. As noted above, the primary value proposition for SSR is that it drives improvements in health and safety and provides a degree of assurance that businesses are making practicable efforts to ensure good workplace practices. In relation to this, several participants see SSR as an investment in protecting the safety of their workforce, rather than a potential compliance cost.

General views were that a price in the range of \$5,000 to \$7,000 would be reasonable for a two to three-day onsite assessment and written report, particularly if the format and style of reporting better met businesses' needs. As a matter of course, participants in large, multi-site businesses expected that in order to gain a good sense of the business's performance, multiple 'deep slices' would be required, and this would come at additional cost. In such cases, the amounts quoted ranged from \$10,000 to more than \$30,000 per annum to participate.

In contrast, smaller businesses and businesses that perceived themselves as being 'low-risk' thought a cost of \$2,000 to \$3,000 would be fair market value, and this was based on the current investment they were making in other types of audits and assessments.

In some cases, Pilot participants could see paying for an assessment as an annual expense, though most felt every two years was more acceptable, particularly as it will take time to implement any changes resulting from a previous SSR assessment.

Several of the participants noted that if something like SSR were made mandatory, then the cost should be covered by government, with more than one participant saying they felt they would already be paying for the service as part of their ACC levy.

Where this was the case, there was a clear expectation among the participants that there would be some sort of recognition scheme, similar to the current WSMP or Accredited Employers levy discount. Having a levy discount was seen by several participants as a means of offsetting the compliance costs that would be associated with the initiative, including the costs for an onsite assessment and report. It was also noted by more than one participant that having some sort of incentive scheme attached to SSR might make it more attractive to medium-sized businesses as well.

#### **4. Pilot participants' views on what agency/organisation should implement SSR**

Finally, participants were asked whether they felt SSR should be implemented by a government agency or by some third-party assurance providers such as Deloitte or PricewaterhouseCoopers.

As noted previously, the joint WorkSafe, ACC and MBIE branding was seen as a positive aspect of SSR by almost all of the Pilot participants, particularly as it gave the initiative credibility in that it was being backed by the lead government agencies responsible for ensuring workplace safety in New Zealand.

There was also a clear indication from participants that of the three agencies, either WorkSafe or ACC were seen as the most suitable organisation to implement SSR, with WorkSafe being preferred. This was due to WorkSafe's credibility as the regulator, and its knowledge of the different types of risks faced by workers in different sectors.

Two participants, when prompted, agreed that an ideal scenario might involve assessment teams comprising an assessor from WorkSafe and an assessor from ACC, noting that having an assessor representing ACC's views as well might further enhance the SSR initiative.

Despite this, several participants did express views that if SSR were to be administered by WorkSafe, the assessors would need to be seen as being independent to WorkSafe's Health and Safety and HSNO Inspectorates. This would help to reinforce SSR as being about education and driving continual improvements, rather than being about compliance and punitive remedies.

Regarding this, if the SSR assessment and health and safety inspection functions were not separate, some participants felt that businesses would be less transparent when dealing with the assessors for fear of being prosecuted. It might also become a disincentive to participating for some businesses in high-risk sectors.

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