SMALL AND MEDIUM-SIZED ENTERPRISES
CONTRACTORS’ HEALTH AND SAFETY PERFORMANCE

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Abstract

Small and Medium Sized-Enterprise (SMEs) contractors form the bulk, by number, of companies in each industry. SMEs differ significantly from large firms, and these factors affect their compliance level. The study aims to assess the SMEs contractors Health and Safety (H&S) performance in the construction industry. Delphi survey was used for the study. Experts were asked to rate the impact of other factors in predicting SMEs contractors compliance with H&S regulations in Ghana. The rating were based on either the impact was considered to be very high or high. Microsoft EXCEL to analyse the data collected. The output from the analysis was a set of descriptive statistics such as means, median, standard deviations and derivatives of these statistics. The findings from the study shows that changes in company structure, changes in ownership at various stages of growth, lack of H&S experts and short track records of H&S regulations were rated by the experts among the factors that affect the SMEs contractors H&S performance.

Keyword: Compliance, experts, health and safety, performance, SMEs contractors

1. Introduction

Small and Medium Sized-Enterprises (SMEs) are required to have the quality enhancement of the people in any country due the projects they undertake. SMEs play a role as sub-contractors for large firms and offer operational flexibility (Ofori & Toor (2012). Their performance in H&S should be enhanced to enable them to keep to a minimum the prevailing incidences in H&S. The compliance of
SMEs was found to have an effect on SMEs behavior and compliance levels within individual employees in the construction industry (Department of Occupational Safety and Health, DOSH Annual Report, 2008). The wellbeing of workers in the SMEs is affected by the high rate of accidents at the workplace (DOSH Annual Report, 2008). The performance of SMEs in terms of compliance with safety regulations is affected by their financial, expertise and staffing capabilities (DOSH Annual Report, 2008). These differences between SMEs and large multinational companies have a huge effect when it comes to the implementation of Occupational Health and Safety (OHS).

The development of construction SMEs in many countries depend on the supports received through financial assistance schemes, initiatives to support the acquisition of equipment and training (Ofori & Toor, 2012). Bad safety behavior is caused by ineffective implementation of Occupational Health and Safety (OHS). Since SMEs conceive compliance in a different way to the view of enforcers (HSE, 2005). The paper discussed management of Health and Safety at Work Regulations 1999 and the four Building Blocks of Successful Occupational Health and Safety.

2. Literature

The Confederation of British Industry (CBI) notes that SMEs have special needs of their own and are all faced with the challenge of one or more of a group of special characteristics. Their special characteristics are short track records, heavy reliance on niche markets, lack of specialist skills, low cash flow, small asset base and the need to make changes in structure and ownership at various stages of growth (HSE, 2005). SMEs are predominantly non-unionised a factor important about health and safety compliance. The input of safety representatives and union pressure for improvements in safety are not present in SMEs (Purcell & Gray; Lamm; Lamm in HSE, 2005). Regulation normally requires that SMEs contractors’ take some action likely to involve expertise, finance and management. Taking into account the characteristics of SMEs contractors’. They are likely to find regulations difficult to implement because they have limited resources that result in strict control of staffing. There is also limited personnel to monitor changing legal requirements, interpret and implement the necessary control measures (Hillary in HSE, 2005).

Small and Medium Sized-Enterprises (SMEs) have limited time in dealing with regulatory requirements. Workplace accidents have the potential to take 30% off company annual profits and failure to manage safety has a much larger social cost (Arewa & Farrell, 2012). Smallwood and Haupt (2008) argue that compliance with OSH regulations brings about benefits not limited to avoiding direct and indirect costs. Idubor and Osiamoje (2013) posits that adequate OSH training and education enhance the OSH performance e.g., compliance with OSH regulation. Within the SME, responsibility for dealing with regulations often falls to the proprietor who may not have any specialist skills. Unlike large firms that may employ an entire department of legal and technical specialists to deal with their H&S issues. SMEs contractors’ attitudes towards regulations and policy-making are different from large firms. They do not have representatives when it comes to policy review, this denies them the opportunity to implement and monitor legal requirements (Woolfson in HSE, 2005). Their view is not represented on policies because they do not belong to any trade body (HSE, 2005).
3. Management of Health and Safety (H&S) at Work Regulations 1999

Managing occupational health risks is placed on the employer under the management of Health and Safety (H&S) at Work Regulations 1999. To meet these legal requirements as well as improving the organization’s H&S performance and ultimately reduce risks and costs. The employers should have the following in place:

i. Health and Safety (H&S) policies and procedures with practical arrangements for managing occupational health risks

ii. Provision of employee awareness training on manual handling, control of substances hazardous to health, noise at work and hand-arm vibration

iii. Manual handling risk assessments and safe handling techniques for manual handling activities

iv. Health surveillance, sickness absence management, return to work policy and stress management strategy

v. Arrangements for managing subcontractors, including procedures for managing their occupational health risks

vi. Employers understanding their duties under the Construction (Design and Management) Regulations 2007 (CDM, 2007).

System concepts can help the employer to improve on his organization’s H&S planning, policies, and procedures and to minimize risks in the construction industry (CDM, 2007).

4. Four Building Blocks of Successful Occupational Health and Safety

Occupational Health and Safety (OHS) model is used to represent the key elements of the system and their inter-relationships. A model as defined by Adeogun and Okafor (2013) is a simplified representation of the key properties of an object, event or relationship and it can be verbal, physical or mathematical. The four building blocks of OHS are policy, organization, planning and implementation, and measuring performance.

The first-building block of the successful OHS model is policy. Its paramount that organizations should develop a formal occupational H&S policy. All those involved in the programme’s operation should participate actively in a policy. OHS policies set a clear direction for the organization to follow in terms of OHS. Therefore, the policy should be appropriate to the nature and scale of the organizations’ OHS risks. Mustapha, Aigbavbao and Thwala (2015) opined that unidentified hazards negate the risk assessment process; risks cannot be assessed and control measures developed and implemented if those involved are not aware of the hazard in the first place.

The second-building block of the successful OHS model is organization. It is the process of creating a structure for the organization that will enable its human resources to work together effectively towards its objectives or, in this case, OHS policy.

The third building block of the successful OHS model is planning and implementation. Planning is essential for the implementation of OHS policies. Planning consists of an overall strategy for achieving
organizational goals, and includes a comprehensive hierarchy of plans to integrate and coordinate activities.

The forth-building block of the successful OHS model is measuring performance. Organizations need to measure what they are doing to implement their H&S policy, to assess how effectively they are controlling risks, and how well they are developing a positive H&S culture. Measurement is essential to maintain and improve H&S performance (Adeogun & Okafor, 2013).

5. Design/Methodology

Experts are made of academics and construction professionals (quantity surveyors and building technologists). They were asked to rate the impact of other factors in predicting the actors that enable SMEs contractors to comply with H&S regulations (Figure 1). Data obtained from the survey was analysed with Microsoft EXCEL, spreadsheet software. The output from the analysis was a set of descriptive statistics such as means, median, standard deviations and derivatives of these statistics. The results are also presented in a chart.

6. Results and Discussions

Figure 1: Factors that enable SMEs contractors’ to comply with H&S Regulations
From the twelve (12) identified factors that were considered to enable SMEs contractors to comply with Health and Safety regulations, only three factors (changes in company structure, changes in ownership at various stages of growth and short track records of H&S regulations) were chosen by the experts to have reached consensus with IQD cut-off (IQD ≤1) score on the factors that enable SMEs to Comply with H&S Regulations (Figure 1). Using the median as a medium of reaching consensus, four (lack of enforcement from the legislative bodies overseeing the implementation of OSH Act, lack of knowledge to understand H&S regulations, lack of knowledge to interpret H&S rules and lack of knowledge to identify hazards or risks) of the factors or measurement variables had high impact (HI: 7-8.99), while the remaining eight (8) factors or measurement variables had medium impact (MI: 5-6.99) on the factors that enable SMEs contractors’ to comply with H&S regulations (Figure 1).

Results from the study revealed that the following twelve factors or measurement variables were considered by the experts to have varying impact on the SMEs contractors’ compliance with H&S regulations.

1. Changes in company structure (MI)
2. Changes in ownership at various stages of growth (MI)
3. Lack of H&S experts (MI)
4. Lack of finance in the management of H&S regulation (MI)
5. Lack of personnel to monitor changing legal requirements (MI)
6. Short track records of H&S regulations (MI)
7. Company limited cash flow (MI)
8. Lack of enforcement from the legislative bodies overseeing the implementation of OSH Act (HI)
9. Lack of knowledge to understand H&S regulations (HI)
10. Lack of knowledge to interpret H&S rules (HI)
11. Lack of knowledge to identify hazards or risks (HI)
12. Lack of interest in compliance with environmental health regulations (MI)

From the impact ratings of the factors, findings revealed that only four of the factors or measurement variables have a high impact (HI: 700-8.99), while the remaining eight factors or measurement variables have medium impact (MI: 5.00-6.99) on the factors that enable SMEs contractors to comply with H&S regulations.

7. Conclusion

The purpose of the study was to assess the factors that enable SMEs contractors to comply with Health and Safety regulations in the construction industry. It was concluded from the findings that most of the factors or measurement variables were considered by the experts to have influence on the SMEs contractors’ performance. In a nutshell, the factors or the measurement variables negate the health and safety compliance of SMEs contractors’ in the construction industry.
References


