



UNDERSTANDING OSH AS A BUSINESS STRATEGY

1st November 2023

Mary Mwangi

Group Head HSE Equity Group

Safety & Health as a business strategy

- If **culture** eats **strategy for breakfast**, then business strategy **eats safety strategy** all day long. How well aligned are your business and safety excellence strategy? (*Shawn Galloway, 2014*)
- **Business strategy** is the strategic initiatives a company pursues to **create value for the organization and its stakeholders** and **gain a competitive advantage in the market**. This strategy is crucial to a company's success and is needed before any goods or services are produced or delivered. (*Harvard Business School*)

How to price goods and services based on customer satisfaction and cost of raw materials



01

02



How to allocate resources effectively

03



How to attract and maintain talent

04



Whether to source materials sustainably and from which suppliers



Why Integrate OSH into Business Strategy



1. Occupational exposures

Occupational exposures remain a key component of **risk management** that requires organizations to consider the big picture of external and internal issues that impact operations as well as the effects on participating workers. This supports the integration of safety and health into operational and quality management processes and practices. (ILO, 2019 *Working on Warmer planet: The impact of heat Stress on Labour Productivity* Heat stress is projected to reduce total working hours worldwide by 2.2 per cent, – a productivity loss equivalent to 80 million full-time jobs and global GDP by US\$2,400 billion in 2030. The risks of fire within an organisation can lead to loss of the whole business, reputational risks etc.



2. Strategy ecosystem

Business management and strategy routinely grapple with the complex environment of strategic planning, operational requirements, financial pressures, regulatory issues, human resources challenges, public relations considerations, business information systems and other external pressures. **Recognizing that workplace safety and health directly influences each of these key business considerations is a driver for integrating OSH practices** into your organization's established business management practices

How to Integrate OSH into Business Strategy

- To integrate OSH into business strategy, **the value of people and their safety and health must be communicated to business leaders (top management, directors, HODs)**,
- Business leaders, managers, supervisors and foremen, believe and will say that OSH is **a high priority** but may question the value of including it in an organisation operational processes , thinking it is **an extra or add-on** to those **processes and increasing cost**.
- It is critical that safety professionals demonstrate the value of **OSH integration** to business leaders, It is important to go beyond the **argument of cost avoidance related to incident reduction**
- In short, help business leaders see the value to corporate performance by providing a safe and healthy workplace for employees and recognizing the benefits that OSH can add to the bottom line.
- For management to have confidence that approaching OSH systematically is worth the organizational effort, safety professionals must have a genuine interest and healthy curiosity in how the financially motivated and goal-driven side of the business functions. **OSH professionals should know and speak the language of the business**, comes in the form of financial data or key productivity and operational performance indicators.



How to Integrate OSH into Business Strategy

01

When working with senior management, it is **critical to identify a sponsor who is a natural fit and shares an elevated passion about the importance of equally driving OSH integration together with productivity measures across the organization.** An ideal, engaged sponsor will drive the message that the goal of OSH integration is to complement the operations of the business by protecting the human resources necessary to achieve the business mission.

02

The sponsor will be a **spokesperson to peers** and within **executive** forums to drive support for OSH integration across the organization

03

Connecting to the **mission & vision** is critical to being considered relevant and to sustaining the presence of the integrated management system long term. To connect to the organization's mission, the cross-functional team should align on a simple, understandable message that represents the group, aligns with the business mission and is easily digested by all levels of the organization

04

Engaging workers to allow them to accept ownership of OSH includes educating employees on their role and how OSH connects to the business mission, their day-to-day lives and work

05

Incorporating a **feedback loop** to understand and identify best practices, what is working well and areas of opportunity will help sustain the program if critical feedback elements are addressed in a timely manner and progress is routinely communicated

06

Monitor **performance & continual improvement**



Q & A

Thank you