# 2.1 Health & Safety Management System

## Introduction

Occupational Health and Safety is the safety, health and wellbeing of people at work.  The goal of an occupational health and safety management system is to provide a safe and healthy work environment.

**The ILO estimates that:**

- **2.3 million workers die every year from work-related injuries and diseases.**
- **160 million workers suffer from non-fatal work-related diseases**
- **313 million from non-fatal injuries per year.**

***The economic cost to companies and society is enormous, with more than 4 per cent of the world's annual GDP lost as a result of work-related injuries and diseases, which is over three trillion US dollars.***

Work-related deaths, injuries and diseases take a particularly heavy toll in developing nations, where many workers are engaged in hazardous work like agriculture, construction, logging, fishing and mining. In the developing world, death and disability caused by hazardous work is a major cause of poverty, affecting entire families. The poorest and least protected, often women, children and migrants, are among the most affected.

The agricultural sector employs an estimated 1.3 billion workers worldwide, or half of the world's labour force - it is one of the three most hazardous sectors of activity (along with construction and mining).

There are many different legal and non-legal frameworks (also known as safety standards) which can be used to manage the treatment of workers within your business. The key standards used internationally include:

- **The International Labour Organisation (ILO)** conventions are 190 international standards which aim to improve workplace practices and conditions for workers around the world.
- **The Ethical Trading Initiative (ETI)** Base code are 9 clauses based on the ILO conventions. Many brands and retailers are members of the ETI and sign agreement to this Code of Conduct and work to ensure their suppliers meet the Code clauses.
- **The United Nations Sustainable Development Goals (SDGs)** are 17 targets agreed by the UN for international development with a vision of ending poverty, protecting the planet and ensuring that all people enjoy peace and prosperity.

Ensuring your company has good management systems in place will help you to meet your customers' needs. Research has also shown that improving workplace safety standards is good for your business. Unsafe and unhealthy working conditions are linked to:

- a higher rate of work-related injuries and illnesses
- increased absenteeism
- increased worker turnover.

By improving these conditions and meeting health and safety standards, it can help you to attract and retain workers and lead to a safer and productive work environment.

The purpose of this guidance is to help you put in place a management system to make your workplace healthier and safer, avoid common violations of these standards and to address problems if they arise. Management systems do not need to be complex to be efficient and beneficial.

**Throughout this chapter you will see boxes with the below symbols. These boxes contain useful tips and tools which will help you implement the guidance in your own business.**

| | |
|---|---|
|  | **Tips** – Practical guidance points on how to implement management systems |
|  | **Good practice** – Examples of how to embed mature management systems in your day to day practices |

# Health & Safety Management System

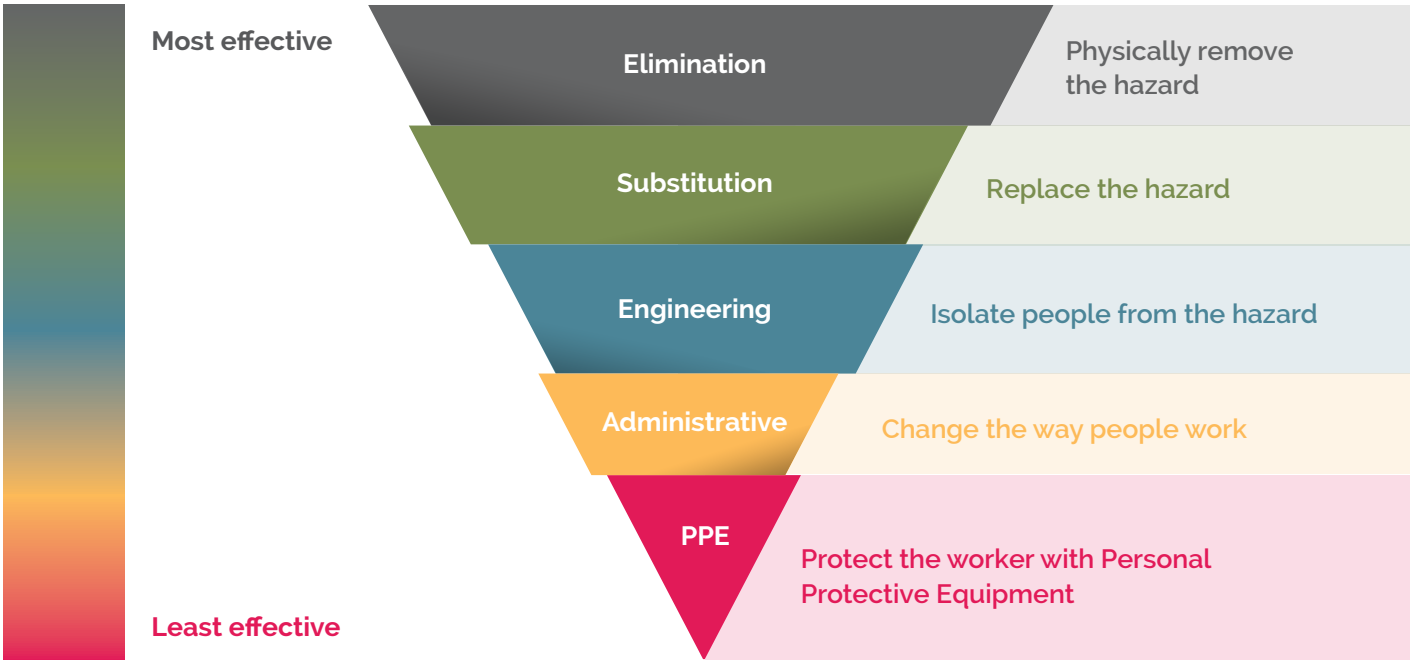
## ***What*** *does it mean?*

A management system is the way a company runs its day-to-day operations, makes decisions and helps avoid recurrence of common problems. Every company, from multinational corporations to small holder farms, has one in some form or another.

You may currently have an informal system, with your staff and workers relying mostly on verbal direction and not much in the way of documentation or formal checking to see if things are working properly.

If you operate a more advanced system, you probably have written policies and procedures in place, your employees are trained so they fully understand what to do and how to do it, and there's a process to check that your policies and procedures are being followed. A more formal health and safety management system will support you in meeting legal and customer health and safety standards, including those referenced in the introduction and ensure **hazards** (things that could cause potential harm to people or property) are controlled. It should account for the health and safety of directly and **indirectly employed workers** and those that work remotely, including homeworkers.

Control measures, or **risk controls**, include actions that can be taken to reduce exposure to the hazard or to remove the hazard or to reduce the likelihood of the risk of the exposure to that hazard. Management controls in health and safety are often referred to as a hierarchy of controls. This hierarchy is the actions you can take in order of effectiveness – see diagram below. The most effective option is to remove the hazard completely (for example not using a hazardous chemical or dangerous machinery) to the least effective which is protecting workers with Personal Protective Equipment designed for specific hazards.



Your system will use some or all these controls to make sure that workplace health and safety **hazards** are identified, evaluated and controlled, and that safe work practices are followed. It will ensure that workers are well trained on hazards and take the necessary precautions to do their jobs safely. This also includes that they are well protected from danger, encouraged to report unsafe conditions, receive proper medical care when injured or ill, and are not penalized for refusing work that can endanger their health or safety.

The biggest distinction between having a basic or an advanced health and safety management system is how good a job you do at avoiding a problem rather than trying to fix problems after they happens. For example: a basic system reacts when workers become ill from working with a new chemical, while an advanced system identifies the risk before the chemical is given to workers and steps are taken to control the issue before it becomes a significant problem. Steps can include using a less hazardous chemical or installing an exhaust ventilation system.

This guidance explains the system elements you'll need to manage health and safety standards in your company and how to put them in place or strengthen the ones you have.

**Sedex has created a Management Controls Report for companies that complete a Self-Assessment Questionnaire. It calculates a score based on SAQ answers on how you manage labour, health and safety, environment, business ethics and supplier management in your business.**

***Throughout the guidance any section marked with a star will help provide guidance on how to improve your score. Once you have implemented the guidance, update your SAQ and see if/how your score improves.***

To find out more about the Sedex SAQ please click here

# Key Elements of a Management System

## ***What*** *steps do I need to take?*

The path to an advanced management system starts with adopting the following basic system elements, which are described in more detail further down:

**Policies** describe your commitments and goals, for example, to ensure that the company's operations do not cause or contribute to negative environmental impacts, such as air or water pollution.

**Resources** refers to the staffing, roles, responsibilities, knowledge and skills needed for carrying out your procedures in a way that meets the intent of your policies. For example, facilities teams need enough trained staff to perform preventive maintenance on emissions control equipment, why inspections are needed to maintain the efficiency of these controls, and how to keep good maintenance records to verify that preventive maintenance procedures were followed properly.

**Procedures** are the step-by-step instructions that together make up a process for you to achieve your policies. Your process will help you to evaluate and control significant environmental aspects. This might include identifying and evaluating what is released into the air, your use of water, use of energy, waste disposal, land use and chemical use, raw material extraction or impacts on biodiversity. You can then rank in order of significance either by impact on the environment or by your business priorities. Once you have evaluated this, you would then put in place procedures (otherwise known as **risk controls** or management controls) to minimize impact on the environment. Examples include preventive maintenance on your emissions control systems, reducing use of chemical fertilisers and pesticides, routinely monitoring what gets released into to the air and water, and transporting hazardous materials in sealed containers with spill containment.

**Documentation** refers to the written documents and records needed to make sure that your procedures are followed consistently and demonstrate your compliance with legal and customer requirements. This may mean making sure that procedures for potentially dangerous tasks – such as transporting, treating and disposing of hazardous waste – are written down so that everyone doing the job does it the right way.

**Monitoring** is how you check whether your procedures are being followed and working well and whether you're compliant with the law and your customers' standards. This could involve regular monitoring of environmental air and water emissions, tracking the facility's consumption of water and electricity, or performing routine inspections of hazardous material storage areas.

**Communication and Training** builds staff awareness and ability through information and instruction. At a minimum all your employees should know about your policies and procedures, what the law says, and how to perform their jobs to prevent environmental impacts. For examples, workers whose jobs can impact the environment (such as waste handlers and chemical process operators) should know the specific procedures to avoid any accidental releases that harm the environment.

**Improvement** means addressing compliance issues by finding and removing the root cause why this happened. For example, if you identify that chemicals are being disposed of unsafely, you may find that the reason is that workers do not know that they need to follow special chemical disposal procedures. This will require training and/or retraining your employees who work with chemicals. It may also mean making sure Safety Data Sheets describing how to dispose of waste chemicals are kept in the work area, as well as clearly marking all drains with signs that say "Caution, Do Not Pour Chemicals Down the Drain."

**The section below provides more information on each of these elements as well as tools, tips and checklists to help you to implement these systems in your company.**

## Tailor health and safety management to your workforce

**Understanding the challenges workers might face and adapting systems accordingly helps to build inclusive workplaces. These enable employees to reach their full potential, which has a positive impact on overall workforce performance.**

**Some examples include:**

- Women have different needs to men that should be considered when developing processes around labour management – for example women may be more likely to experience harassment or discrimination at work due because of their sex.
- Training and communication should consider language needs of migrant workers – if migrant workers are not fluent in your workplace language, they will need health and safety instructions translated and explained to them in their own language, in order to be safe.

# Requirements

## ***What*** *do you need to do and* ***how*** *do you do it?*

***The next two sections will show you how you can improve your "Policies and Resources" score.***

## Policies

You should, at a minimum, have a system to comply with all applicable workplace health and safety laws and standards, and customer requirements.

Adopting a systems approach to health and safety management will help you address this in your business and with your suppliers.

Your policies state your company's values; what does the company stand for – what is acceptable and not acceptable to the business. At a minimum, they need to give a commitment to complying with the law, relevant codes and standards such as the ETI Code, and your customers' requirements. They should be signed by the most senior manager of your company and should include:

- Ensuring a safe and hygienic working environment.
- Preventing workplace accidents.
- Eliminating the causes of health and safety hazards.
- Providing workers with regular health and safety training.
- Providing access to clean toilet facilities, potable water and sanitary food storage facilities.
- Clean and safe worker accommodation.
- Assigning responsibility for health and safety to a senior manager.

These commitment statements set the objectives for the rest of your system to achieve, and let your customers, suppliers, your own employees and the public know what you stand for.

## Example Policy Introduction

"It is the policy of this company to ensure a safe, healthful workplace for all its employees, visitors and contractors. Injury and illness losses from incidents are costly and preventable.

This company will employ an effective accident and illness prevention program that involves all its employees in the effort to eliminate or control workplace hazards..."

## Help your Management Systems succeed

It is important to ensure that senior management are engaged and support policies. A lack of commitment from senior management within your business, or management belief that the social compliance objectives will conflict with business objectives and will make it challenging to implement policies within the business.

Also consider people and organisations that the company does not have a direct relationship with. This could include visitors to your site or workers hired through labour providers. Visitors may need brief fire safety training i.e. where to go in case of a fire, whereas **indirectly hired workers** may need thorough training on health and safety to do their jobs safely.

# Resources

You will need to assign **roles and responsibilities** to your staff and employees, and time to carry them out, to make sure that the people responsible for implementing processes, policies and procedures understand and consistently follow them.

- ✔ Assign a senior manager with defined responsibility and accountability for meeting the objective of your various policies and overseeing how the system is working. For example, you may have a policy on fire safety. The Health and Safety Manager has the job to implement the policy to make sure it is successful.
- ✔ Make sure your managers, supervisors, and employees have clearly defined roles and responsibilities. *For example, responsibility for making sure that employees are given appropriate personal protective equipment where it is needed, and that they understand how to use the equipment and use it consistently.*
- ✔ Ensure the people involved in achieving a policy, have the training needed to do their jobs well. *For example, it is important that the Health and Safety Manager understands the importance of fire safety and how to protect employees. Fire safety wardens and all employees with roles to play in fire must also know what to do and how to do it. All workers, whether directly or **indirectly hired** will need fire safety training.*

## Worker-Management Health & Safety Committee

Even when it is not a legal requirement, forming a worker-management health and safety committee is a good way to control safety hazards.

A committee involves workers in developing and implementing safe work practices and other controls. Workers are your eyes and ears in the work area and are likely to spot safety issues - and know how to fix them - before you do. The Committee, through regular meetings and gathering feedback from other workers, can help you achieve your health and safety policy objectives.

# Processes and Procedures

***The next two sections will show you how you can improve your "Processes" score through introducing procedures and ensuring things are documented.***

Your **processes and procedures** are the "who-what-how" instructions that need to be followed as part of your day-to-day operations to meet both the business objectives and your policies. Procedures can function as **'risk controls'** which are designed to address a specific identified **risk**, like fire and chemical safety. For example, to make sure your policy to prevent workplace injuries is met, you will need to have procedures in place across the business. This may include a hazard evaluation process which investigates all accidents and incidents to identify the root causes and prevent the accident from happening again. See below box for the key steps in a Job Hazard Evaluation Analysis.

Examples of the health and safety procedures you should have include:

- ✔ A way to stay up to date on health and safety laws, regulations and your customer's social responsibility requirements.
- ✔ A way to identify compliance **risks,** ideally before something goes wrong, so that you can put controls in place. *For example, a procedure to make sure the hazards of new equipment are identified and controlled before being put into service. If you don't have a way to do this, your employees could be injured, and you could lose production time while waiting for machine safeguards to be installed.*
- ✔ Procedures to comply with each of the workplace safety standards of the ETI Base Code. *For example, you will need ways to make sure you train workers on health and safety hazards and that worker accommodation is clean and safe and meets the basic needs of your workers. In developing your procedures be sure to consider where job hazards can impact men and women differently.*

- ✔ A way to receive, investigate and address complaints or concerns from your workers about unsafe conditions, including a way for them to file a grievance anonymously. This is particularly important if your employees work remotely – for example on customer sites or in transport so that you can be sure they are safe.
- ✔ A process to choose your suppliers and on-site service providers based on whether they can meet the ETI Base Code standards and your own policies. This should be considered for service providers such as your logistics companies, as well as goods providers and your labour providers.

## 5 Steps to an Effective Job Hazard Analysis

**Select Job to Analyze**

- New or changed jobs and processes
- High injury or illness rate
- Complex jobs

**Break Job into Tasks**

- Observe or video employee perform job
- Record all discrete tasks or actions
- Limit to no more than 10 tasks

**Identify Hazard**

- Identify hazards for each task
- Ask questions about potential for slips and falls, physically demanding work, noise, exposure to chemicals, etc.

**Develop Controls**

- Identify most **effective** ways to control hazards
- Apply control hierarchy of: **1)** eliminate the hazard; **2)** replace the hazard; **3)** isolate the hazard; **4)** change work practices, and 5) provide PPE

**Document and Communicate**

- Incorporate findings in job instructions/procedures
- Train affected employees
- Monitor effectiveness of controls

# Documentation

**To carry** out your policies, processes and procedures consistently, regardless of staff changes, documentation (written instructions) is important. You should also keep formal records *(of injuries and illnesses, workplace inspections, how you solved a worker safety complaint, or a training provided, for example)* that show what you have done to conform with the ETI Code and legal requirements. This includes:

- ✔ An up-to-date register of all applicable laws, regulations and customer codes of conduct.
- ✔ Formal records such as preventive maintenance logs, accident investigations, chemical exposure monitoring results or *Material Safety Data Sheets (MSDS). MSDS' are documents that list information about the health and safety provisions for the use of harmful and/ or hazardous chemicals. These should be kept near the chemicals so that workers in the vicinity or using the chemical have clear instructions on risks and handling instructions.*
- ✔ Copies of internal and third-party audit reports, and compliance inspection reports by regulatory agencies.
- ✔ **Corrective action** plans and records that show improvement actions were taken and solve the problem.

## Document your procedures whenever possible to make sure they are followed consistently.

Documentation doesn't have to be complicated; it can be a simple checklist for employees to follow. Documented procedures reduce confusion about who is supposed to do what, how is the task supposed to be done and what are the best practises to follow, saving time and helping employees be more efficient. In this way, procedures can also act as a form of training for new workers.

# Monitoring

***The next section will show you how you can improve your "Monitoring and Data Capture" score***

Ongoing **monitoring** is how you know if your policies, processes and procedures are being followed and having the intended effect or need adjusting. *This process can take many forms but should be on-going so you can adjust how you are doing things as soon as needed. For example, a mechanism for workers to report safety problems is a good monitoring tool and can let you know if workers are exposed to health and safety hazards or have safety improvement ideas that should be acted upon.*

Monitoring includes:

- ✔ Internal or 3rd party audits.
- ✔ Setting and measuring progress on Key performance indicators (KPIs). *Examples of KPIs include the percentage of workplace accidents and incidents investigated for root cause, the number of **corrective actions** implemented on time, the number of accidents and injuries resulting from the same cause, the percentage of workers able to safely evacuate the workplace in the target time, etc.*
- ✔ Regular worker surveys to measure how satisfied workers are with workplace conditions and practices and what changes would help them do their jobs more safely and efficiently.

## Segregate data whenever and wherever possible

Segregating the data you have for your workers by gender, sex or language spoken will help you start to understand your workforce and the health and safety issues that affect them. From this you can start to track trends which will help you to improve your systems by tailoring them to mitigate the issues different workers face on a day to day basis.

For example, from tracking workplace accidents you may see that more women are being injured even though the necessary PPE has been provided. After surveying female workers, you find out that the PPE provided is too large and cumbersome for the women to be able to complete their roles safely and efficiently. To improve your systems, you will need to invest in some PPE which has been designed for women.

# Communication and Training

***The next two sections will show you how you can improve your "Training and Improvement" score***

To make sure your policies, processes and procedures are implemented effectively, it is important that you:

- ✔ Give basic training to all your managers, supervisors and workers on your policies and related procedures.

- ✔ Provide in-depth skills training for the staff responsible for implementing specific procedures. *For example, workers that perform repairs and maintenance on equipment that could accidentally become energized and cause injury or death, must know how to follow lockout-tagout procedures to protect themselves and others nearby the equipment. Equally, vehicle drivers must understand the relevant health and safety regulation as well as your company's requirements on policies such as rest breaks to ensure they do not drive when tired.*

- ✔ Post your health & safety policies and local laws and regulations where workers can read them easily and in a language they understand. For workers who have difficulty reading, pictures and verbal explanations can help. *For example, pictures and symbols can effectively communicate workplace hazards such as noise or chemicals, and the types of protective equipment required to be worn. Ensure training is also clearly accessible to workers that are not on your company premises.*

## Everyone in your workplace needs to know the rules and their responsibilities.

This includes contractors and service providers – especially those whose work could exposure your employees to safety **hazards**, such as building maintenance contractors and hazardous waste handlers.

You should communicate your health & safety and legal requirements to your on-site service providers in contract terms and conditions and periodic business reviews.

## What makes training effective?

Training is usually given when people need to know about something or to increase their skills to improve their job performance. Learning objectives should be set for any training and describe what knowledge should be gained from the training or what skills will be learned or improved. Training is effective when learning objectives are met.

**Effectiveness depends on using a variety of training techniques:**

- Make the training relevant to your workplace. Include job-specific safety issues, current accident statistics and how to prevent the most common issues in the workplace.
- Present information so that it is easy-to-understand. Try creating a "Top 10" list of the most important things to remember about safety and health.
- Be creative. Go beyond the usual lecture – bring in and explaining safety signs, tags, labels and evacuation maps that workers will see in the workplace.
- Train everyone. By including everyone, you are showing workers that safety is important at all levels and demonstrates that leadership both supports and participates in workplace safety. This includes **indirectly hired workers**.
- Make it ongoing. Learning doesn't end after one session. Workers need to be continually reminded of safe practices.
- Encourage workers to remind each other about safe work practices and encourage workers to report hazards and suggest corrective measures

# Improvement

To address any issues you find and continually improve your compliance with health & safety standards, it's essential that you understand the root cause of the issue first. By tackling the cause of the issue, rather than the symptom, you can better adjust your management system (the elements and actions listed above) to keep the problem from happening again.

*For example, if you find that night shift workers have a higher rate of accidents than day shift, you will need to consider the following questions:*

*Are safety rules equally enforced on night and day shifts? Have night shift employees received the same safety training as day shift workers? Is there something different about the night shift operation that is more hazardous than day shift? Do night shift employees work longer hours than day shift? Is this a company-wide issue or only in some departments?*

You can use the 5 Why exercise to help you identify the root cause. See diagram below.

## Use the 5 Whys to help with Root Cause Analysis

**Problem**

The day shift accident rate is 40% higher than night shift

WHY? Day shift workers have less experience than night shift

WHY? The average age of day shift is 10 years younger than night shift

WHY? There is a higher percentage of student workers on the day shift

WHY? Student workers can only be assigned to day shift

WHY? Student workers are assigned to hazardous jobs

**Solution**

1. Identify jobs with safety hazards that are inappropriate for student (juvenile) workers.
2. Assess and improve training for student workers.
3. Assign each student worker and experienced mentor.
4. Routinely monitor student worker job assignments.

The basic rules for responding to any issue are:

- ✔ Implementing both corrective and **preventive action** to address each identified root cause, so that the problem does not recur and the solution itself does not create other problems. *For example, you may provide health and safety re-training for night shift employees (**corrective action**) and review night production quotas and work schedules to eliminate tiredness or working too fast as causes of injuries (preventative actions).*
- ✔ Assigning task owners, milestones, and completion dates for any improvement actions.
- ✔ Making sure that your employees know how to follow any new or revised procedures you have developed to address a **risk** through initial and refresher training as needed.
- ✔ Monitoring whether the adjustment in your procedures and supporting training have been made, and whether they are producing the desired result.

## Achieving Improvement

A company implemented a process to install and maintain interlocked enclosures on production machines. Despite this, accident records show several injuries per month from use of the equipment.

**Finding the right solution:**

- Review preventive and maintenance records to verify that the interlocks are properly maintained.
- Speak to workers and supervisors – those that work with the machines may have a good understanding of any challenges and reasons for injuries.
- Examine employee training records to make sure that they have been instructed on proper use of the equipment
- Review accident investigation reports and interview machine operators to understand how the equipment is used and what caused the injuries.
- Did the enclosures permit products to be manufactured at the required production rate? Did workers have to bypass the guarding because of frequent jams?
- Develop a plan to address any issues of equipment design. Reinforce with workers that problems with machine safeguarding should be immediately reported and that equipment cannot be operated without safeguards in place.

# Case study

## Environment, Health and Safety Excellence

In January 2018 Tate & Lyle decided to bring employee health and safety, and environmental protection within an all-encompassing Environment, Health and Safety (EHS) management system. The company's goal was to continue to provide safe working conditions while ramping up efforts to minimise its environmental impact.

The EHS management system supports a multi-year EHS model, known as the Journey to EHS Excellence. The programme is led by senior management and rolled out across sites with the engagement of all employees. The focus is on sustainable culture change and development, with management systems being a key part.

The EHS management system framework is made up of 14 elements, covering leadership, planning, risk management, Human Resources, compliance, project management, training, communication, **risk control**, asset management, contractors, emergency preparedness, incident investigation, and assurance.

Standards within the framework are aligned to international standards (ISO) for environmental impact, occupational health and safety, and risk management.

This framework controls all EHS-related training given at Tate & Lyle sites and promotes continuous development and improvement. EHS sustainability is developed through a cultural maturity model that uses a tollgated process. In practice, each site embeds standardised behaviours and protocols as they work to pass through seven milestones or 'tollgates'. All employees are impacted by this model, with certain individuals at each site leading one of the 14 elements in the management system, and teams formed to provide resources required to maintain excellent performance at each location.

Tate & Lyle requires employees to report all EHS concerns, no matter how large or small, as well as ideas for improvements. Full transparency on the output/findings, including the sharing of actions with employees, builds consistency, trust and understanding, and ultimately shows that each person has a voice and responsibility to change EHS for the better.

After two years of the programme, there have been tangible positive results. The company has seen an increase in leading indicators such as concern reporting and behavioural inspections, and a year-on-year decrease in lagging indicators such as injuries and other safety events. Tate & Lyle's Journey to EHS Excellence programme and supporting management system are succeeding in both delivering and maintaining benefits to employees and the environment, while embedding a culture of EHS excellence.

***Tate and Lyle** is a global provider of ingredients for food, beverage and industrial markets. They have offices, laboratories and factories in over 30 countries and more than 4,100 employees worldwide.*

# Frequently Asked Questions

## Do I need a separate management system for social responsibility?

No. The most efficient way to apply a management system approach to meeting health & safety standards is to use your current business management system, which can be easily adapted to help your company meet health and safety and other social responsibility standards. You should evaluate your current processes for production, maintenance, and training to make sure you have the right controls in place. For example, every company needs to perform routine maintenance on equipment. To make sure machine safeguards are working properly and not bypassed or defeated, you should make you're your maintenance procedures include the proper functioning of all safety devices.

Of course, once you have put the necessary controls in place you will need to do regular training so relevant people know what to do and checking (monitoring) to be sure controls are effective.

## Won't a management system require a lot of documentation and other complexity?

This is a very common concern, but a health & safety management system does not need to be any more formal or complex than the system you use to manage your business. For example, a procedure can be as simple as a short list of what is to be done, by whom, and how often. The system will be most effective if it complements existing processes.

As for records, you only need to maintain items that are needed to verify that you are meeting laws and standards, such as inspection and maintenance records, training records, audit reports, and permits.

## My company has a certified Quality Management System. Can we use this system for health & safety?

Yes. In fact, any company that has a formal management system, like ISO 9000 or ISO 14001, can also use it to manage compliance to health & safety standards rather than creating a separate health & safety management system. The risk assessment, regulatory tracking, training, communication, auditing, corrective action, and other elements of these systems can be very easily adapted for health & safety management.

## What if we don't already have a formal management system. Are there any standards we can follow?

Yes, there are several management system standards developed specifically for labour and other sustainability issues. These include:

- **SA8000:** This is the only labour management system standard that includes health & safety management to which a company can be certified. Complying with the requirements of this standard will enable a company to:
  - Develop, maintain, and enforce policies and procedures in order to manage those issues which it can control or influence.
  - Credibly demonstrate to interested parties that existing company policies, procedures, and practices conform to the requirements of this standard.
- **ISO 45001 – Occupational Health & Safety:** A management system standard to which a company can be certified that standard that will help the organization improve employee safety, reduce workplace risks and create and maintain better, safer working conditions.

## What is Plan-Do-Check-Act?

**Plan-Do-Check-Act** is a way of describing a management system to show how risks are controlled and processes and performance are continually improved. It is the framework on which all the ISO management system standards are based, including ISO 9000, ISO 14001 and ISO 45001.

- **Plan** means to identify requirements (laws and standards), evaluating risks that may prevent you from meeting those standards, and establishing objectives and processes needed to meet standards and achieve objectives.
- **Do** means assigning responsibilities, implementing your policies and procedures, and training and communicating.
- **Check** is making sure that you are achieving your objectives and meeting standards. This involves measuring performance using KPIs, performing audits, surveying workers, and other ways to evaluate how you are doing.
- **Act** is taking corrective and preventive actions when your results are different from your goals, such as when audits find non-compliances. This step also includes a regular review by senior management of the suitability and effectiveness of your overall system. Outcomes and decisions from that review are used to **Plan** system improvements.

You may notice that the above guidance also follows a Plan Do Check Act approach.

# Resources and Guidance

The following sources provide further details on international standards for labour management systems.

- Sedex Members Ethical Trade Audit (SMETA) Best Practice Guidance: **https://cdn.sedexglobal.com/wp-content/uploads/2019/05/SMETA-6.1-Best-Practice-Guidance.pdf**
- UN Guiding Principles on Business and Human Rights: **http://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf**
- International Organization for Standardization (ISO): ISO 45001 Occupational Health & Safety **https://www.iso.org/iso-45001-occupational-health-and-safety.html**
- European Union Agency for Health and Safety at Work: **http://osha.europa.eu/en**
- Social Accountability International (SAI): SA8000 Standard **http://www.sa-intl.org/index.cfm?fuseaction=Page.ViewPage&pageId=1689**
- Ethical Trading Initiative (ETI): **http://www.ethicaltrade.org/**
  - ETI Base Code: http://www.ethicaltrade.org/eti-base-code

## Signposts to Training

- Verité: **http://www.verite.org/Training**
- ETI, Essential of Ethical Trade: **http://www.ethicaltrade.org/training/essentials-ethical-trade**

# Key Terms

- **Corrective Action:** is the implementation of a systemic change or solution to make an immediate and on-going remedy to a non-compliance.
- A **management system** is how a company gets things done. It is made up of interdependent policies, processes, and procedures organized to enable a company to achieve its business objectives (quality products, on-time delivery, profitability) and meet code of conduct expectations.
- A **policy** is a statement of commitment to what the company hopes to achieve. For example, "our company will not work with suppliers who employ child labour."
- **Preventive Action:** is the implementation of a systemic change or solution designed to prevent the recurrence of the same or similar issues elsewhere in the facility.
- A **process** is a major part of the system, consisting of a set of actions and procedures that together make up a business function. For example, the recruitment, selection and hiring process is designed to hire the right person for the job at the right time.
- **Procedures** (also referred to as "controls") are step-by-step descriptions of how a job or task within a process is done; by whom and when. For example, a procedure to verify the age of a job applicant is part of the recruitment process.
- **Risk controls** or **management controls** are procedural steps or improvements made to address the possibility of an unintended outcome. For example, steps to validate the authenticity of a job applicant's proof of age documentation are designed to reduce the risk of hiring an underage worker.
- An **Indirectly hired worker** is not directly employed by your business, and the arrangement involves at least one third-party e.g. employment agency or labour provider. Indirect workers include temporary agency workers. Homeworkers might be included in this category if the employment relationship is through a third-party.
- A **hazard** is any source of potential damage, harm or adverse health effects on something or someone. For example, an energy source can be a hazard as it has the potential to cause an electric shock or electrocution to a person or spark a fire which could harm people and property.
- A **management system** is the way a company runs its day-to-day operations, makes decisions and helps avoid recurrence of common problems
- A **risk** is the likelihood that a person may be harmed or suffers adverse health effects if exposed to a hazard

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The four Management System guidance documents were developed by Sedex with Verité's input.

They are aligned with the Plan-Do-Check-Act continuous improvement approach used by ISO and other international management systems standards. In this guidance, we split management systems into 4 sections; Policy and Resources, Processes and Procedures, Monitoring, and Training and Improvement.

Verité's recommended structure for Management Systems steps is that "Monitoring" follows "Training and Improvement," but these guidance documents list "Monitoring" first in order to align with the management controls report, which members receive on completion of the SAQ.