The Agile Leader – engaging with risk

## Closing address by Michelle Baxter, Chief Executive Officer, Safe Work Australia

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**Michelle Baxter:**

We've come to the end of National Safe Work Month and of our 2015 Virtual Seminar Series.

Hi. I'm Michelle Baxter the CEO of Safe Work Australia, the national policy body whose job is to improve work health and safety and workers' compensation arrangements across Australia.

The theme for this year's safety month was "Be Safe, Be Healthy, Because…" I hope you used the month to focus on health and safety in your workplace and especially to reflect on your own reasons for being safe and healthy at work.

A key activity for the month was our Virtual Seminar Series. This year was the second time we have used this format to promote workplace health and safety. Last year's seminar materials were viewed or downloaded nearly 70,000 times and we are expecting this year's will be just as popular.

This October we focused on safety throughout supply chains, and good work design, and the industry spotlight fell on construction and manufacturing. Ann Sherry, the Chair of Safe Work Australia, spoke passionately about the value that good work health and safety brings to business productivity. She reminded us that good, safe work doesn't just help us avoid costs but that well designed work can be more productive and innovative and make your businesses more viable.

Throughout the month a range of work health and safety experts shared their insights and experiences but beyond this year's seminars and behind the scenes our Safe Work Australia Members are also engaged in dynamic conversations about Australia's comparative work health and safety performance. While it depends on how and what is counted, if we look at workplace fatalities Australia is in about sixth position compared to other developed countries. Our Members have challenged all of us to do better: to ultimately see Australia ranked in the top three in the world for work health and safety.

To achieve this we need to meet two very significant challenges.

Firstly we need to shift negative community perceptions and behaviours about work health and safety and secondly, we need a workforce and business leaders who really understand work health and safety with the knowledge and the skills to effectively and efficiently manage risks. And we need the resources to support them.

The first challenge is the need to shift the commonly held belief that worker carelessness is the main cause of injuries. This is really dangerous because it focuses on the individual and ignores why the worker behaves that way – perhaps as a result of unrealistic time pressures, fatigue, inadequate training or resources. How are we shifting this attitude? What do we know about what drives workplace decisions about risk and what influences people's behaviour when they are at work?

We know that people don't always behave rationally and carefully. Our decisions are influenced by many factors and biases which we may not always recognise. We know some of our actions are quite consciously planned and deliberate while others are almost automatic or unconscious. Our deliberate actions reflect our values and conscious choices. Traditionally we have tended to assume that we need to change people's deliberative decision making by providing information and appealing to their values. While this is certainly important, recent research is questioning whether we are underestimating the contribution of the automatic or non-deliberative processes behind our decisions.

So a challenge for those of us who care about workers' health and safety is how we influence both people's conscious and unconscious decisions and behaviours. Behavioural economists have been extremely successful in highlighting to policymakers the potential to change behaviour by going beyond mere information-based campaigns. Instead we need to design the work environment and the communication tools we use to favour the behaviours we want and discourage those we don't want.

The former Chief of Army, Lieutenant-General David Morrison warned "The standard you walk past is the standard you accept", and this applies just as much to work health and safety as to any other area. Leaders' attitudes to how their businesses run and the behaviours they ignore will directly affect workplace health and safety. People will learn from what you say but they will learn a lot more if your actions are consistent with your words.

So a better, holistic and more effective approach is to address the leadership and culture of the workplace and how risks are managed. Leaders need to ensure work processes and systems support safety before trying to influence people's behaviour at work. Unacceptable workplace risks have their roots in poor corporate decision making. When business leaders and managers understand how comprehensive risk management can actually support their strategic directions, both the business's productivity and workers' health and safety will improve.

It's important to recognise that it's not always possible to totally eliminate all risk.

The law demands that we manage risk "so far as is reasonably practicable". To completely eliminate all risk would stifle innovation and paralyse business activity, growth and creativity. In fact the enemy of good practical work health and safety is not risk itself but complacency. We need to constantly question "What are we missing?" This is what some leaders have called being in a state of chronic unease.

If business leaders are to move their organisations beyond mere compliance and a box-ticking approach to work health and safety they need to fully understand the complexity of their operations including their key health and safety risks. Business leaders must welcome hearing the bad news as well as the good and they must use this knowledge to actively engage with and manage risk. If they do this well their organisations will be more flexible and more agile, able to then respond to shifting demands and seize the opportunities which will help make them profitable.

To meet that second challenge that I mentioned earlier we need to improve all Australians' work health and safety knowledge and skills and give them the resources they need to implement good practice. This is one of the key outcomes of the Australian Work Health and Safety Strategy but there are some important questions to ponder.

How do we get people's attention in a world where we are often overwhelmed with contradictory information? How do people best learn? Can our current education and training system deliver the skills needed? In an already overcrowded curriculum how do we make sure that health and safety isn't just an inconvenient add-on that receives only cursory attention, if that? How do we cut through the myriad issues that plague day to day business activity to help business leaders give strategic risk management the attention that it needs?

Safe Work Australia is currently considering these important questions. Our Members have tasked us with improving the way work health and safety is covered across all education sectors and helping develop resources for better integrating it into the curriculum. We want to see risk management covered as an integral part of management training. As Professor Patrick Hudson noted in last year's Virtual Seminar Series, "Many organisations already have good attitudes. Their problem is a shortage of managerial skills to improve their actual performance."

Major reforms are driving changes to both the vocational education and university sectors. Increasingly market-driven commercial approaches in education mean that to gain traction for work health and safety subjects we need to make a persuasive business case.

Fortunately there is growing support for this because as we demonstrated in this year's seminars there is a direct link between good, safe and healthy work and business success.

Safe Work Australia is using this evidence to engage with the education sector to support improved learning outcomes and supporting the development of some key curriculum material in areas like engineering, ergonomics, business management and agriculture. To support business leaders we have developed free, online resources on leadership.

We recently published the *Principles for Designing Good Work*. These have been a key focus during this year's seminars and will form an enduring resource for everyone who has a role in designing or managing work.

Between now and 2019 and beyond Safe Work Australia will continue to strive to make our country a world leader in health and safety. We will promote the value of health and safety to the community and its links with Australia's future prosperity. We will continue to be a key source of national research and data, building on the latest thinking on how to influence organisations and workers' behaviour and provide Australians with the tools to build safe, healthy and productive working lives.

We hope you've enjoyed the Safe Work Australia Virtual Seminar Series. All our seminars will remain online so you can watch them and access the additional resources at any time. All the presentations have closed captioning and transcripts and many are available as podcasts. Please do share them with your friends and your colleagues. And we would like you to rate them and tell us what you'd like to see next year.

For more information about work health and safety you can go to the Safe Work Australia website or Facebook page or follow us on Twitter.

Thank you.

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