# 4.2 Management Leadership and Organizational Commitment

## 4.2.1 Knowledge on Safety & Health Policy

A well-formulated OSH policy forms a basis for the objectives in the field of OSH. Fernandez-Muniz *et al.*, (2007) indicate that safety policy reflects the organization's principles which capture the existence of a written declaration reflecting the organization's commitment to safety. *Section 16, Act 514 (OSHA) 1994; Duty to Formulate Safety and Health Policy* (Appendix 1) state that;

"Section 16 compels all employers (or self-employed persons) with more than five employees to develop written safety and health policy"

In providing a safety and health work environment for all who are within the Company's premises, the Company has their own policy that is directed towards the control of all types of hazards encountered in the performance of duties, where the utmost priority in safety and health of all persons involved was stated in policy;

"The Company will comply with all safety and health legal requirements and manage its activities by avoiding risks any person who may be affected by its operations. The Company will take appropriate measures as required and wherever practical to ensure a safe working environment. The Company will also liaise with the relevant authorities to keep track of any changes in the safety and health requirements and implement accordingly'

At the Company, the Director, GM or CEO is responsible to establish this policy and philosophy of the safety and health program while Safety and Health Department is responsible for identifying the guidelines, applicable standards, establishing and annual reviewing on policy and also giving the necessary recommendation for a safety and health workplace.

According to Guidelines on OSHMS by DOSH (Appendix 3), the OSH policy shall include, as a minimum, the following key principles and objectives to which the top management of organization to provide leadership and commitment in; (1) protecting the safety and health of all members of the organization and others who may be affected by the work carried out; (2) preventing work-related fatalities, disabilities, injuries, ill health, diseases, property and environmental damage and near misses; (3) complying with relevant OSH national laws and regulations; (4) requirements to which the organization subscribes; (5) ensuring that employees and their representatives are consulted and encouraged to participate actively in all elements of the OSHMS; and (6) continually improving the performance of the OSHMS. The company's ESH Discipline Policy was stated in Appendix 26.

### Respondent's knowledge about company safety & policy

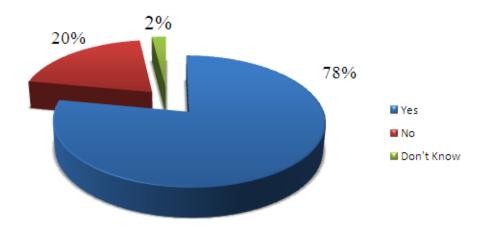


Figure 4.6: Respondents' Knowledge about the Company's Safety and Policy

Figure 4.6 above shows that, from the questionnaires' analysis, it was discovered that 78% of the respondents knew about the safety policy, 20% of them did not sure about it and 2% of them did not know about the Company's safety and policy. This shows that, it was a part of the employees' responsibility to understand and know the Company safety policy. The descriptive statistics about safety and policy are shown in Table 3.12.

Lin and Mills (2001) found that clear policy statements and safety training played an important role in reducing the number of industrial accidents. It is concreted by Mohd Saidin *et al.*, (2006), who views that one of the elements in developing safety culture, is safety policy. It is believed that combination of rules, believes, attitudes and good practices will create positive safety culture at workplace.

Mohd Hanip (2007) stated that the employer's failure to comply with this act in the Johor's manufacturing industries has shown significant weaknesses of the employers. Thus, it is important to understand that non-compliance of this provision may inadvertently contribute to lack of safety culture since according to Health and Safety Executive (1997).

#### 4.2.2 Management's Commitment towards Successful ESH

In complying fully with their legal obligations as far as the employees' rights are concerned, the primary support is essential for this purpose, for employers as influential feature that contribute to the effectiveness of OSHMS is management commitment. Other kind of support required from the management is paramount to understand in order to obtain succeed.

For an OHSMS to be effective, it is essential that management at all levels demonstrate their support of the safety and health program. This can be accomplished by their participation in safety and health leadership training, meetings, inspection tours, and incident investigations. Robson *et al.*, (2007) also noted that management commitment to OSH is critical to ensure the success of OSHMS implementation although there is lack of support from previous studies to make suggestion either in favour of or against OSHMS and also research on OSHMS is inconclusive (Gallagher *et al.*, 2003). In this study, from the interview process, based on the goals, accountability and achievement, objectives of the safety plan of access, the Company has complied with legal requirements on safety and health and they achieved this through review and continuous improvement of companies performance.

Consistent with prior research of Hsu *et al.*, (2007) on leadership and management commitment, Clarke (1998) on safety reporting and Cox and Cheyne (2000) on safety rules, the findings of this study reported that five elements were seen to support the implementation of an OHSMS involve the management commitment; (1) safety and health objectives, (2) safety reporting, (3) management commitment, (4) the role of the supervisor, and (5) leadership style.

Management also has implemented a program in achieving meaningful and effective participation to change employees' culture and attitudes towards safety and health. With the safety motto, 'Towards Safe and Healthy Work Culture', the Company has their own safety plant systems that suite with OSHMS. In implementing that, the Companys' safety plan system has followed the objectives which include building lifetime that trust with customers, spirit of constant learning and challenge, and also in creating an open and comfortable work environment. Other than that, the Company also has their own Safety Kaizen Sytem (Appendix 27) in monitoring the use of procedures and checking of safety systems and equipment.

The Company also has their own Safety and Health Manual (Appendix 19) that was prepared to minimize losses of material resources and interruptions from accidental occurrences. Management purposes of this manual will; (1) assist the responsibilities and to provide employees with general guidelines for implementing a safety and health program in high standards (2) can guide the employers and employees in carrying out responsibilities in a safe manners and respective duties of reducing injuries and death.

In viewing the Company's management commitment on employees, they have responsibilities in providing their own continuous program known as the Continual Improvement of Safety Implementation System. This continuous program is provided for employees, which are focusing on the importance of safety and health information. This system consists of the participation from Safety Council, Safety Committee and Sub Safety Committee and involves by management responsibility, resource management, safety implementation. In addition, safety excellence happens when supervisors, managers and executives are made accountable for the safety performance of the group that they manage or supervise (Petersen, 2000).

Figure 4.7 below proves to us the respondents' view on safety briefing from the management. 53% of them agreed and 29% of them strongly agreed that the management has given them the safety briefing at the beginning of each shift. It means that the management has seen the employees in ESH as an important factor to obtain successful work.

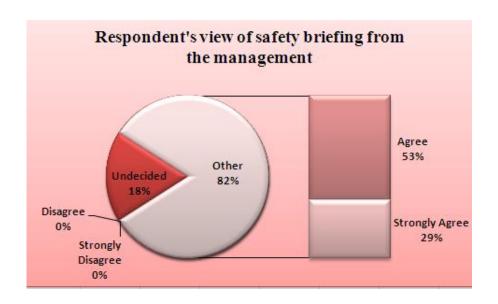


Figure 4.7: Respondent's View of Safety Briefing from the Management

Table 4.2: SPSS analysis result of management support & commitment towards OSHMS (compliance with legal requirements)

Management	Mean	Std. Dev	Level
A positive approach to controlling safety	4.36	0.503	High
Management speak out to employees about	4.29	0.537	High
the importance of safety			
Investigate the cause	4.19	0.734	High
Safety briefing	4.11	0.680	High
Recognizes and makes use of abilities	4.10	0.577	High
and skills			
Consistently at workplace	4.05	0.657	High
Flexible and understands the importance	4.02	0.568	High
Open and comfortable	3.83	0.877	High

Based on the Table 4.2 above, from the statistical analysis, the mean and standard deviation for items are as follows; a positive approach to controlling safety (mean=4.36, std dev=0.503), management speaks out to employees about the importance of safety (mean=4.29, std dev=0.537), investigating the cause (mean=4.19, std.dev =0.734), safety briefing (mean=4.11, std.dev=0.680), recognizing and making use of abilities and skills (mean=4.10, std.dev=0.577), consistency at workplace (mean=4.05, std.dev=0.657), flexible and understanding the importance (mean=4.02, std.dev=0.568) and open and comfortable (mean=3.83, std.dev=0.877). Here, we can see that all items in managements were high in mean score.

The normality test for all variables in the questionnaire section that based on attitude in Management variable in Table 3.17 that shows the (skewness= -0.090, kurtosis= -1.261), mean flat distribution and the skewness and kurtosis of all variables were statistically normally distributed. The Cronbach's Alpha for management variable in Table 3.22 is 0.701, mean the relatively high and exceeded the acceptable cutting off point of 0.70 (Nunally, 1978) mean that managements give the full commitment and support towards OSHMS.

Robson *et al.*, (2007) also noted that management's commitment to OSH is critical to ensure the success of OHSMS implementation although there is lack of support from previous studies to make suggestion either in favour of or against OHSMS and also research on OHSMS is inconclusive (Gallagher *et al.*, 2003). According to Vecchio-Sadus and Griffiths (2004), management commitment is a critical aspect for safety culture because employees used to copy the behaviour of management, so it would be positive if management allocates resources for OSH and give some time regarding employees' safety and health.

However, Fernandez-Muniz *et al.*, (2008) stated that the reason behind the weak management's commitment is a perception about the expenditure of preventive measures. Management considers preventive measures which has no direct effect on production targets. It is common that the management commitment for OSH is less than the importance and commitment of product or service quality (Robson *et al.*, (2007). Indeed, Boden *et al.*, (1984) hypothesis that the commitment of management, alongside the joint commitment of management to solve safety and health problems, may be the critical factors for success, overshadowing the objective attributes of a committee.

In sum, to ensure the survival of organizations, improvement of performance through efficient management systems and well-structured performance evaluation are vital (Coelho and Moy, 2003). Carder and Ragan (2003) also supported this argument and highlighted that (1) management commitment and employee involvement, (2) work site analysis, (3) hazard prevention and control, and (4) safety and health training are the major elements of an effective safety program.

As summarized, many organizations have found that a good management system and improvement of performance through an efficient management system and a well-structured performance evaluation is vital for their survival (Coelho and Moy, 2003). Apart from that, management commitment is also important in developing positive safety behavioural aspects amongst employees. Employees will be less safety conscious and willing to take more risks to get the work completed if the management does not support the safety process (Borstorff and Lowe, 2010). A sophisticated management system must be developed by managements in preventing accidents, incidents and in controlling risks, to achieve OSH effectiveness and in implementing the processes.

#### **4.2.3 ESH Committee & Responsibilities**

The Safety Committee is also referred as Joint Health and Safety Committee (JHSC). Shannon *et al.*, (1997) explained that JHSC prepared more quickly in smaller organizations than larger and it grows rapidly in workplaces of higher injury rates. According to Geldart *et al.*, (2010), it has a significant role in collaboration of management and employees for safer and healthy work environment with low injury rates. In this study, the ESH Committee Organization at Company consists of Safety Council, Safety Committee and Sub Safety Committee (Figure 4.8).

Section 30, Act 514 (OSHA) 1994; Establishment of Safety and Health Committee at Place of Work states that;

"Section 30 of OSHA compels employers of 40 or more employees (or if directed by General Director) to establish safety committee at workplace. For companies with 40 or more employees, the safety committee shall comprise of two representatives each from the employers and employees while companies of 100 employees and more, there should be four representatives each from the employers and employees" (Appendix 1)

According to the *Regulation, Part VI, Regulation 21, OSH (Safety and Health Committee) Regulation 1996*, they should not meet less than once in three months; means that employers shall meet the employees regularly based on necessary needs that commeasured with risks attendant on workplace. According to Handbook (2008), it is mandatory for a workplace with 50 or more employees. Some organizations try to merge OSH activities in consultative bodies to fulfill legal requirements. The Company' Safety and Health Committee Manual shows in Appendix 28.

Figure 4.8: ESH Committee Organization

Section 29, Act 514 (OSHA) 1994; Safety and Health Officer compels companies exceeding 100 or 500 employees (depending on the nature of business) to appoint a Safety and Health Officer where non-compliance of this provision may also be relevant to this problem (Appendix 1). In this study, the member composition of Safety and Health Committee at Company comprises of 50 % representatives from the management and 50 % from the employees' representatives. A study by Reilly et al., (1995) in the U.K. found that organizations with a safety and health committee, where employees' representatives were chosen by unions, had a lower incidence of injury than enterprises with a management-driven approach to safety and health management.

At Company, the committees' specific functions are to provide the recommendations to company that regarding safety and health issues, ensuring that employees and others are informed about safety policies, training programs, identify unsafe work practices and other safety and health related matters. The functions of the safety committee are mainly to make recommendations to promote and develop measures to ensure the safety and health at the workplace and to monitor the effectiveness of such measures (Xavier, 1996). However, Pollock (1995) skeptically views that despite the importance of the employees' involvement in safety programs, many of the safety and health committees were formed with no goals. Finally, they will be split into an empty talk or discussion sessions with no results.

As conclusion, Wu *et al.*, (2006) from the results of their study on safety, found the importance of safety committee which has a positive effect on the safety of university. Chew (1988) reached this conclusion as his study revealed that safety committees exist in both high injury rate firms and low injury rate firms. The only differing factor was the way the committees functioned.

## 4.2.4 Employees' Participation & Safety Awareness

It has been shown that successful OHSMS have high levels of employees' participation in the development of the system that particularly important to create ownership and overall buy-in into the system. Additionally, employees' participation in the development of the OHSMS will help to ensure a better fit with the culture of the organization. The implementation and the maintenance of a good OHSMS depend in equal measure by the quality of organizational processes and by the quality of employees' participation (Reason, 1997; Zohar, 1980).

Employees' participation is an essential element of the OSHMS in the Company where employers have to ensure that employees, safety and health representatives are being consulted, by informing and training on all aspects of OSH that associated with work field. From site interview and observations, employees' participation was encouraged by management because it establishes ownership of safe behaviour at the execution level, where it is most appropriate. The employees' Selection and Placement Manual was shown in Appendix 29 and Safety Penalty System for employees in Appendix 30.

Participation enables employees to contribute to the decisions which affect their safety, health and welfare. It helps employers and employees to work together to seek solution that lead to safer and healthier workplaces. That is why one of the reasons of the success of employees' participation in Sweden's safety and health matters is the support received from both the individual employer and the specific employer's organization at the industry level (Frick, 1997).

Situation where employees are involved in some way with decision-making regarding safety and health issues in a business organization is known as employees' participation (Guidelines on OSHMS by DOSH, 2008). In ensuring that employees are being instructed and trained in safety and health practices and methods of job performance at Company, the employers will ensure that employees who are sick and injured receive suitable medical treatment, not forgetting to investigate and to make report if the accident happened according to established procedures.

From interview with Safety and Health Officer, the participations of employees are involved in; (1) safety enhancing programs (2) safety training program (3) safety committee and others. Studies by Glyde (1981) and Rooney (1992) also suggested the positive effects of employees' participation in decision-making in creating a safer workplace. They also revealed the importance of employees being more involved in the actual design and implementation of the organization's safety practices including safety-enhancing programmes, safety training programmes and worker-management safety committee. The effects of such involvement may result in less hazardous workplaces.

Furthermore, the participation of management and workers showed positive results in enhancing safety performance as per Lin's and Mills's (2001) findings. In maintaining a safety and health workplace, the employers are responsible to fulfill the applicable safety and health standards, rules, regulations and orders issued by competent authority pertaining with the activities. Employers should also comprehensively inspect all work places that against appropriate standards in providing consultation for safety and health emergencies, identifying the need to provide training and education, and implement for the employees' health.

It implies that employees' participation is a process involving behavior which is dynamic, action-oriented, and problem solving that continuously seeks for improvement in a safety conscious environment. The key to excellent in safety and health performance is the participations of senior management (Vassie, Tomas & Oliver, 2000). Their findings indicated that employees' safety awareness is crucial to improve safety and health performance.

Table 4.3: Respondents' Response about Right as Employee

Know About	Pero	Percent		
_	Yes	No		
Right as an employee	99	1		

The analysis in Table 4.3 above proves that, 99% of the respondents knew their right as employees. From the understanding of OSHA 1994, every employee must know their rights as an employee and it must be comprehended between both employers and employees. It includes the right to take part in keeping the workplace safety and health, the right to refuse unsafe work and the right to know the hazard in the workplace. It is proved that the employees knew and understood about the right as an employee and aware of ESH.

The result shows in the Figure 4.9 below proves that, 63% of the respondents agree and 33% of them strongly agree that the management have spoken out to them about the important of safety. It illustrates to us that, the managements play their responsibilities in providing the information and details about the importance of having a good ESH in reducing the number of accidents.

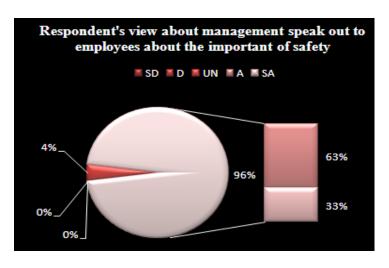


Figure 4.9: Respondents' View about Management Speak out to Employees about the Important of Safety

Table 4.4: Statistical Analysis Result on Respondent's Right as an Employee

Know about	Mean	Std. Dev.	Level
The legislation that covering the SH	4.15	0.359	High
The mission statement put forth	3.97	0.437	High
Any penalty/ fines if employee do not	3.87	0.734	High
follow the safety regulation at workplace			
Corrective action	3.83	0.922	High
Reduce accidents at work place	3.41	1.256	Medium
Insurance claim forms are easy to file	3.39	0.840	Medium
Fairness	1.69	0.929	Low

Table 4.4 above shows the respondents' response about the right as an employee. In measuring the view about it, the statistical analysis result shows the mean score and standard deviation. These results reveal the mean score and standard deviation for each items which are; the legislation that covers the safety and health at workplace (mean =4.15, std.dev=0.359), the mission statement put forth (mean=3.97, std.dev=0.437), any penalty/ fines if employee do not follow the safety regulation at workplace (mean=3.87, std.dev=0.734).

The corrective action (mean=3.83, std.dev=0.922), reducing accidents at work place (mean=3.41, std.dev=1.256), insurance claim forms are understandable and easy to file (mean=3.39, std.dev=0.840), and fairness (mean=1.69, std.dev=0.929). As conclusion, there are four items at the high rank mean score, two items at medium level and only one item at the lowest level shows that the fairness of employees needs to improve.

Five arguments in favours of participation in this field have been explained by Gevers (1983); (1) Keeping an eye on potential hazards and giving notice of imminent dangers in prevent employees from industrial accidents (2) A valuable means of ensuring employees' cooperation is involvement (3) Employees knowledge's and idea are regarded to the solution of safety and health problems (4) General idea underlying industrial democracy can divided from arguments for an extension of participation in safety and health matters (5) In improving working conditions, cooperation between employer and employees must in good condition if based on equal partnership.

As proven towards safety and health workplaces, ESH Department has established the Emergency Response Training (ERT) every month. The ERT Training was done in September 2011 which involved the high participation from employees as shown in ERT Training Attendance Year 2011 (Table 4.20). 121 employees from 147 of total employees have attended this ERT Training, while 32 employees were absent. The responsibility is seen in employees' willingness to participate in all activities which support the learning of the process, continual improvement activities and employees' desire to reinforce, support and correct one another and this responsibility can only be exercised optimally in a supportive organizational climate (Topf, 2000).

There are several factors that influence the effectiveness of employees' involvement in OSH matters. Walters (1996a) asserted that one of the factors that influence the effectiveness of employees' participation is the presence of a framework. The existence of safety and health related legislation is one of the main reasons for the success of the structure, because many employers are unwilling to establish meaningful representative machinery in the absence of a legislative requirement (Koch and Salters, 1999).

Walters (1996a) added that even though there are some employers who would allow employees to be involved in this area voluntarily, most of them will only follow rules which have been written down and enforced. Enforcement to ensure compliance is also crucial to make it effective. Thus, the role of regulation is twofold consisting of the legislation itself together with regulatory strategies.

Similarly, Singleton (1983) is of opinion that employees' participation in safety and health scheme could work provided that they know how it is recognized, their ability to investigate and express views is developed for changes are taken seriously by the management. He adds that where a committee inspects regularly, discusses substantive issues has its treated seriously by management, lower injury rate will be achieved.

As summarized, employees' participation in the protection of safety and health at workplace has become increasingly important that can make a significant impact on the prevention of industrial accidents if it receives total support from the management as well. However, when the authorities have acted to implement legislation providing for employees' participation, the employer's first reaction has been to oppose it on the ground that employees' safety is a managerial prerogative and that any participation by employees in decision-making is an infringement of the prerogative (Clarke, 1982).