

Insight aims to provide useful information, links and tips in the areas of Risk Management, Occupational Health and Safety, Business Continuity Management, and other areas relating to management systems and corporate governance.

This issue:

- Workspaces and worker wellbeing
- Risk to business from climate change
- Information Technology: A business continuity and a risk management issue

Workspaces and worker wellbeing

Almost all organisations have experienced the phenomenon of worker 'presenteeism', whereby a worker is present at the workplace but not really fulfilling their role, as a result of illness or other factors.

In a similar way, the physical workplace can appear to be adequate, with standard facilities and functional requirements present, but still fail to optimally promote worker wellbeing and productivity.

Employers have the opportunity to objectively assess the attributes of workspaces for which they are responsible, and make improvements which can directly impact on worker wellbeing and performance.

Employers can directly impact on wellbeing and workplace performance by assessing the attributes of workspaces for which they are responsible and implementing improvements in some of the following areas:

- **Air quality and ventilation** – poor air quality will directly impact on worker health, and research has been conducted which suggests air quality also has a direct relationship with productivity. Actions can include removing pollutants from high VOC (Volatile Organic Compounds) furnishings, paints and cleaning chemicals etc., installing effective exhaust ventilation, and making use of indoor plants.



- **Temperature** – the perception of a comfortable temperature can vary widely between individuals, and therefore providing some modest degree of personal control over workspace temperature can have significant impact on wellbeing and performance. In most workspaces, it is not possible to provide individual thermostatically controlled spaces, however small modifications such as adjusting the venting, shifting workstations in relation to the vents or installing panels to redirect air flow. It may also be helpful to foster a culture of adopting dress standards suitable for the conditions (e.g. no ties or jacket suits required in warmer climates).



- **Light** – in an existing workspace, modifications to maximise daylight in the space may be difficult, but with potential impacts on health, mood, productivity and comfort, all available options should be considered. For example, installing adjustable blinds, redesigning office fit-outs to maximise access to windows, use of rippled glass or glass bricks in place of opaque walls and dividers etc.
- **Views** – in a world of ever-decreasing green space and increasing disconnection between humans and the natural world, it is becoming evident that wellbeing can be significantly enhanced by fostering a connection with outdoor spaces and nature. This can involve the provision of aesthetically pleasing views, especially natural ones. If the location doesn't allow for this in reality, providing plants and images of nature in the workplace can assist.
- **Noise** – some individuals can tolerate high levels of noise without effect, however it is common for high noise levels and chaotic acoustics to cause poor morale, stress and poor productivity. Provision of activity-based workspaces and even PPE can assist. A reassessment of the workspace from an acoustic perspective will likely be more effective, and actions can include redesigning flat surfaces to increase sound refraction, utilising materials with sound absorption properties, or considering sound proofing of particularly noisy areas.
- **Layout** – optimal layout of workspaces will be different depending on the tasks to be completed, the culture of the workplace, and the preferences of the individual workers. Workstation density, the availability of task based spaces and breakout spaces, spaces where workers can relax and be social, and active design to support increased movement at work are all variables.
- **Aesthetics** – the overall look and feel of the workspace will also have an impact on worker wellbeing and workplace culture, supporting desired values and behaviour. Consideration should be given to the use of colour, shapes and space, the industrial

design of functional requirements, and the use of art and/or craft products.

- **Amenities** – access to public transport, shops, green spaces, gyms etc. near the workplace will also impact worker wellbeing and can make the difference between keeping or losing high quality employees.

QRMC's recent Safety Networking Group meeting hosted at Powerlink Queensland provided attendees with information regarding ways in which a number of these issues have been addressed within the design and functionality of the Powerlink Queensland offices at Virginia.

Please [contact QRMC](#) for more information.

Risk to business from climate change

Following the repeal of the price on carbon for Australian businesses, some might have been tempted to consider the business risks from climate change issues to have been reduced.

However, with uncertainty in the energy market, increasing pressure from trading partners to act on climate change, and growing recognition of the likely impacts of falling fossil fuel commodity prices and stranded assets, there are certainly many more business risks to consider and be prepared for.

Prices for energy seem unlikely to become more affordable, despite the removal of the carbon price and promises from the Government of positive flow on effects. Renewable energy technologies are becoming more efficient and more affordable, however the sector is under threat from [Government-driven policy uncertainty](#). LPG was touted as the saviour of a low cost energy market, however the increasing unpopularity of

coal seam gas exploitation and the [export plans of the industry](#) are likely to result in LPG prices rising rather than falling.

Meanwhile, Australia's current inconsistency with world trends in this area gives rise to risks resulting from potentially sudden changes in policy. There is pressure on the Government to do better in its policy settings for action to mitigate climate change: both internally, from advisory bodies such as the [Climate Change Authority](#), from industry groups such as the [Energy Supply Association of Australia](#), and from progressive political parties and activists; and externally, from Australia's major trading partners. China, USA and the European Union have all announced much more aggressive cuts to carbon emissions than Australia. The EU has had a price on carbon in place since 2005, China is on the verge of introducing national carbon pricing (planned for 2016), and even conservative politicians in the USA are beginning to [seriously discuss](#) the use of this market-based mechanism. Australia's out-of-step policy settings has an impact on business confidence and investment decisions.

Underlying all of this is the increasingly poor outlook for fossil fuel commodities and mining projects, and the concepts of *stranded assets* and *divestment*. As outlined in a recent episode of ABC's investigative program *Four Corners* "[The End of Coal?](#)", claims for the recovery in coal prices made by backers of planned mining projects in Australia are not supported by the evidence. With Australia's economic policy settings strongly founded on a rosy view of fossil fuel commodity prices and investments in mining projects, very few eggs are being placed in other baskets. Organisations such as the Rockefeller Foundation are getting out of fossil fuel investments as fast as they can as an unjustifiable financial risk, while in Australia, State and Federal Governments continue to strongly back these investments. The outlook for all Australian businesses will be negatively impacted if the economy is stalled by predicted underperformance in the mining sector.



For businesses needing to come to grips with the potential threats resulting from all of this, risk management principles apply. To avoid potential negative impacts, preparedness is key. Actions can include:

- Identify the financial and non-financial climate change-related risks that could impact your business objectives, such as input pricing increases, supply chain reliability, resilience to economic downturns, and exposure of key customers to the same risks (potentially impacting on their viability too).
- In addition to implementing controls for the risks identified above, streamline operations to minimise exposure to the effects of regulatory changes in the space, such as the reintroduction of carbon pricing.
- Give consideration to how your organisation is performing in comparison to your competitors as regards climate change adaption and risk management, and how this can provide a marketing advantage.
- Revise internal policies and processes to ensure that climate change risks are considered in strategic decision-making.

Please [contact QPMC](#) for more information.

Information Technology:

A business continuity and a risk management issue

Information technology systems have become entirely embedded in the way we do business, from the smart phone your plumber uses to set appointments and record billable time, to the networked computers housing the secured data of a global bank.

The maximisation of efficiencies and productivity brought by the technologies we use have offered countless opportunities to modern organisations to achieve their business objectives. However, they've also brought a suite of new risks which we ignore to our peril.



With technology providing the backbone of most business operations, including payroll, communication, procurement, debtor and creditor management, sales management, marketing, document control and archiving etc., even the short term loss of functionality can have a big impact. If the loss of technology infrastructure and/or data were permanent, such as might result from a building fire or a serious cyber attack, the impact would be catastrophic.

It is not uncommon for businesses to take their IT systems for granted because they've always worked before: however, the fact that a business has never suffered a catastrophic IT loss in its history provides no protection from, or lower probability of the risk occurring in future. Therefore, risks to IT systems must be managed to ensure business continuity.

Potential risks include all the obvious things that most organisations plan for, such as fire or flood, a server crash, or loss of power. However, they also include things that might not immediately come to mind, such as accidental or malicious damage, vandalism or sabotage by disgruntled workers, viruses and cyber attack.

Also, a business continuity plan which concentrates only on having the data securely backed up is not sufficient. Getting the business operational again also includes having that data available and operational in the organisation's various functions and customised applications etc., which will take time unless systems and infrastructure are in place to speed the process.

Good business continuity planning for your information technology therefore requires consideration of the following critical elements:

- Backup of data off site, preferably in two different locations
- Confirmation of the integrity of data after back-up
- Availability of a virtual standby server that mirrors critical servers and applications, or other relevant infrastructure to immediately recreate your organisation's functionality
- Regular test restorations of data and applications to the backup location/equipment
- Documentation of all roles and responsibilities for activating the plan
- Developing a formal IT incident response plan.

Please [contact QRMC](#) for more information.

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