

*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.

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- Managing Contractors – how to get it right
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## Managing Contractors – how to get it right

Most organisations look after the health and safety of their staff well, but it can be a different story when there are external contractors working on site. These workers can be easily overlooked, or mistakenly thought to be “someone else’s responsibility”.

However, WHS legislation specifies that both the contractors *and the organisation that engages them* share a responsibility to provide safe, healthy working conditions.

To ensure the safety of all workers including contracted workers, and to address the requirements of the legislation, a structured and systematic approach needs to be consistently implemented.

The process of good contractor management should begin well before the need for a specific contractor has been identified. The steps for a robust process are as follows:

- **Define responsibilities** for the organisation’s workers who will be responsible for selecting and managing the contractor and, in broad terms, define the contractor’s roles and responsibilities;



- **Develop a contractor management system**, including a specific induction program;
- **Implement a pre-qualification process** that requires the contractors to fill out a pre-qualification questionnaire that advises them of your required standards and expectations, and request them to provide their WHS management structures, responsibilities, processes and procedures that will be used when working on your site.

At this point, your organisation is ready to engage the required contractors. Then:

- **Provide more details** for the specific work to be undertaken;
- **Enter into a formal contract** and include (where possible) the requirements and responsibilities of their appointment within the contract agreement documentation. Then do your due diligence by ensuring that all the necessary information from the contractor (to demonstrate their experience and qualifications including licences, permits, registrations and insurances as well as SWMS) has been obtained, assessed and considered to be satisfactory before commencing;
- **Allow the Contractor to commence.**

And when the contractors are on-site:

- **Conduct a contractor induction** before they start work;
- **Consult, Cooperate and Coordinate** ensuring there is a 2-way exchange of information explaining how the contractors' work will interface with other operations. Authorise any required permits and ensure the contractor adjusts any generic SWMS prior to starting work;
- **Supervise and monitor** the contractor's work, addressing any identified issues. Hold the contractor accountable for their WHS responsibilities; and finally
- **Review the contractor's performance**, discuss it with them and retain records of this review so that it can be applied during any re-qualification process.

When a systematic process such as this is followed, the organisation can be more confident that they are both complying with their legislative obligations, and more importantly, keeping ALL of their workers safe and well.

Please [contact QRMC](#) if you would like advice in relation to the Contractor Management processes.

## Defining Recovery Time Objectives

The term recovery time objective refers the maximum amount of time allowed to recover resources, restart an activity, or provide services or products after a disruption event occurs. It is a targeted time period to ensure that adverse consequences do not become unacceptable.

Determining appropriate recovery time objectives (RTO) is a critical part of the process of business continuity planning. An RTO for a critical function or asset that is either unachievably short, or crippling long, can derail the organisation's recovery from a business disruption.

The difficulty is that many organisations fail to apply a rigorous and consistent methodology for determining the RTO, instead relying on "common sense", which is potentially not much better than guesswork.



The first step required to achieve a more robust RTO determination is to clearly define the Maximum Acceptable Outage (MAO) or Maximum Tolerable Period of Disruption (MTPD). This is the period of time



for which the organisation can go without providing its product or service or main business activity, before unacceptable adverse impacts occur. In other words, how long can the primary business of the organisation be out of action before the long-term viability of the organisation is threatened?

In some organisations this may be a very precise timeframe, but for many it will be a ballpark, such as 3 to 4 weeks. Consideration of the relevant criteria for the organisation and its stakeholders is required in order to determine the timeframe; such as the creditors not being paid, or the loss of the majority of customers, or reputational damage sufficient to cause loss of customers and inability to attract new customers.

The MAO or MTPD can be determined for the organisation overall, as well as for each individual function or asset. Timescales can be set appropriate to the type of organisation/activity, such as 0-1 hours all the way up to 3+ months.

Once the MAO is determined, it provides clarity for the estimation of the RTO, since the function/asset must be recovered within the timeframe of the MAO.

The optimal timeframe for the RTO is neither too close to the incident (e.g. it's often not economically efficient to recover a function within 1 hour when it can be done without for 2 weeks, since there are likely other functions that should be concentrated on first), nor too close to the MAO (if the effort to recover the function is not made until just before it's required, there is a risk it may not be recovered in time).

Once all critical functions/assets have been assessed as to their MAO and RTO, they can be ranked for prioritisation of effort in recovering them, and this is reflected in the business continuity plan.

While many of the factors in determining the MAO and RTO are contingent, a consistently applied methodology of estimating the timeframes based on realistic and pragmatic assessments of the organisation's reliance on the critical functions/assets will result in a more robust, and therefore more useful, business continuity process.

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

### SNG Report – Mental Health at Work



The first Safety Networking Group meeting for 2016 was held on 26 February, hosted by QRM.

Topics included a 'Mental Health at Work' presentation from WHSQ's Safety Leadership at Work team, and a discussion of the safety challenges when undertaking electrical works.

An overview of the Mental Health at Work presentation is detailed below.

The next SNG meeting is earmarked for May 2016.

**ABOUT THE SNG:**

*In 2005 QRM founded the Safety Networking Group for senior safety professionals working in the greater Brisbane metropolitan area. QRM continues to coordinate and arrange for speakers to present at quarterly meetings and discuss information on contemporary WHS issues. Group members also share information from their workplaces or industries, which other members frequently find interesting and useful.*

*More information on the [Safety Networking Group](#) can be found on our website. Senior safety professionals contemplating attending meetings in Brisbane can [contact QRM](#) to express an interest.*



## Mental Health at Work

The Safety Leadership at Work Program is designed to improve safety culture and contribute to reducing work-related injuries and fatalities in Queensland workplaces. The program is multi-faceted with work undertaken relating to the core themes of leadership and safety culture.

As part of this work, energy is being dedicated to developing a framework to target Mental Health at Work. This recognises that employers have a responsibility under the WHS Legislation, as part of general risk management duties, and that there is considerable benefit, both to the organisation and the individual.

Jennie Hunter and Teegan Modderman from the Safety Leadership at Work team presented on Mental Health at Work at the recent Safety Networking Group function, outlining that Mental Health is viewed along a continuum ranging from 'Healthy' (which involves normal functioning) to 'Injured' (with functional impairment) and 'Ill' (with a diagnosable mental illness).

With a clear view of what is a mentally healthy workplace – one which identifies and manages work-related mental health hazards including stress, bullying, occupational violence and physical and mental fatigue – the recommended approach is to design a mentally healthy workplace that is built on a solid foundation of an effective OHS management system.

To promote a mentally healthy workplace, organisations should:

- Utilise visible leadership, engaging with workers to positively influence culture and provide the necessary resources
- Foster a supportive culture and environment, encouraging workers to actively participate
- Identify and control risks by using the information provided in available resources (see below) to work towards managing the risk factors, with a focus on engineering out the risks by workplace redesign
- Learn, and continually improve, communicating and celebrating the small wins to build momentum, and 'test-run' any initiatives via a pilot program.

While a Strategic Plan and Industry Action Plans are in development, a range of resources relating to mental health at work are currently available at:

- <https://www.worksafe.qld.gov.au/injury-prevention-safety/mental-health-at-work>
- <http://www.safeworkaustralia.gov.au/sites/swa/about/publications/pages/good-work-design>

The Safety Leadership at Work team have an ongoing relationship with the Safety Networking Group and this will assist in keeping the SNG members up-to-date as the pipelined activities develop.

A webinar series is scheduled for April, exploring the findings from national safety climate and culture studies across a range of industries. Information is available at: <https://www.worksafe.qld.gov.au/whats-on/safety-leadership-at-work-workshops/slavevents-calendar/events/webinar-introduction-to-safety-culture-and-climate>

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