2021 Workplace Injury Prevention Grants Investment Priority

Our investment priorities provide the focus and set of expectations for the outcomes we are seeking for a particular funding round. Applications must align to one of the investment priorities described as this is central to the assessment process.

The next Workplace Injury Prevention Grant Round Investment Priority focuses on improving worker wellbeing and reducing injuries:

Investment Priority

Managing psychosocial hazards and risk in the workplace through implementation of Good Work Design.

Priority Sectors
- Construction
- Agriculture
- Manufacturing
- Transport (including Postal and Warehousing)
- Healthcare and Social Assistance
- Retail & Wholesale

The Health and Safety at Work Act 2015 (HSWA) requires a Person Conducting a Business or Undertaking (PCBU) to provide and maintain a work environment that is without risks to safety, and physical and mental (psychosocial) health, so far as is reasonably practicable.

[Note: if you are a sector that includes organisations who hold Accredited Employer Programme – (AEP) accreditation, you'll need to demonstrate partnerships with others across, for example, your supply chain to ensure you achieve adequate reach to deliver the return on investment required for receiving an ACC Workplace Injury Prevention Grant.]

The Opportunity

COVID-19 pushed wellbeing to the forefront and showed us the importance of looking after one another in the workplace. There is strong evidence to support the economic benefit to small businesses who invest in the wellbeing of staff with research showing the financial return on investment at an average 5:1 ratio in some cases as high as 12:1 return on every dollar invested[1].

"*We now know categorically that wellbeing delivers efficiency and productivity gains for businesses. Put simply: If small businesses are ignoring wellbeing they are wasting money,".*
Xero managing director for New Zealand and Pacific Islands, Craig Hudson

It's time to broaden the conversation beyond physical risks and to think about how we tackle insidious risks like exposure to psychosocial harm.

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[1] New Zealand Institute of Economic Research report to Xero, (March 2021). *Wellbeing and productivity at work.*

Organisations that would like to engage in systems thinking and undertake a Good Work Design process to manage psychosocial hazards and risk in the workplace across their chosen sector/s, could benefit from ACC's September 2021 round of Workplace Injury Prevention Grants.

Applications for this priority must:
- be focused on either innovation and/or system capability development
- evidence application of systems thinking:
  - Systems thinking is the basis of the principles of Good Work Design. It aims to understand how the work system (including personnel, management, business elements, technological aspects, the physical environment and organisational design) interact with each other to support or weaken safe practice and safety outcomes. Refer to the reference material at the end of this document for further information.
- be ready to co-invest a minimum of 20% of the total grant amount requested from us in a cash and/or in-kind funding model.

Good Work Design

Research suggests that a systems thinking approach like 'Good Work Design' (GWD) and the principles it uses may be more effective at reducing the likelihood and severity of injury, as it considers a holistic view of a proposed solution that takes into account:

- physical, mental, emotional and time requirements of work
- the equipment, vehicles, and infrastructure, and materials workers use
- workers' physical, emotional, and mental capacities and needs.

GWD is about both legal compliance AND creating work environments where people have good wellbeing, where they are learning and thriving. It's about optimizing human performance, job satisfaction and productivity by creating efficient organisations where people are well supported. GWD offers a holistic approach, looking at not just the physical aspects or not just at psychosocial aspects of work, but looking at all those aspects in relation to the needs of the worker and the needs of the business.

Organisations can apply GWD principles to create healthy work environments and safe work tasks where risks to people's psychosocial health are eliminated or minimized so far as is reasonably practicable.

GWD can be used to set up the workplace, working environment and work tasks to protect the health and safety of workers, taking into account the range of worker abilities and vulnerabilities, so far as _reasonably practicable_.

GWD applies ten principles to the good design of work and work processes. Each is general in nature so they can be successfully applied to any workplace, business or industry.

The principles are structured into three sections:

- ***Why GWD is important***

  1. GWD gives the highest level of protection so far as is reasonably practicable

  2. GWD enhances health and wellbeing

  3. GWD enhances business success and productivity

- *What should be considered in GWD*

  4. GWD addresses physical, biomechanical, cognitive, and psychosocial characteristics of work, together with the needs and capabilities of the people involved

  5. GWD considers the business needs, content, and work environment

  6. GWD is applied along the supply chain and across the operational lifecycle

- *How good work is designed*

  7. Engage decision makers and leaders

  8. Actively involve the people who do the work, including those in the supply chain and networks

  9. Identify hazards, assess, and control risks, and seek continuous improvement

  10. Learn from experts, evidence, and experience

By way of example, GWD can be used to achieve better management of:

- **High-risk tasks:** Reducing the speed of an inappropriately fast process line will not only reduce production errors, it can diminish the likelihood of a musculoskeletal injury and mental stress.

- **Role conflict in the work environment**: Role conflict in a work setting is one of the most stressful psychosocial aspects of work - clarification of roles and responsibilities; reviewing the hierarchical structure of an organisation, ensuring support is available to workers can minimise the risk of role conflict, increase productivity and reduce stress in the workplace.

For more information about GWD you can search on [Safe Work Australia's website](#) using the term 'Good Work Design' which will bring up the [Principles of Good Work Design Handbook](#) and many other helpful related documents.

The International Organization for Standardization (ISO) has also recently published [ISO 45003](#) which provides guidance on the management of psychosocial risks and promoting wellbeing at work, as part of an occupational health and safety (OH&S) management system.

For other resources on wellbeing and psychosocial risks, see the Reference Material section of this document.

Psychosocial factors

Psychosocial hazards in the workplace are aspects of the design and management of work, and its social and organisational context that may have the potential for causing psychological or physical harm. Conditions of a workplace that may negatively affect workers' mental and/or physical health, such as high psychological work demands, low job control, low social support at work, low rewards, bullying, harassment, and violence are examples of psychosocial hazards. The health outcomes associated with psychosocial hazards can include but are not limited to: stress, depression, anxiety, sleep disorders, suicidal ideation, and musculoskeletal disorders.

A **psychosocial risk** in the workplace is an adverse workplace interaction or condition of work that compromises a worker's health and wellbeing. Prolonged exposure to high levels of stress is an example of psychosocial risk in the workplace.

In this context, a hazard is anything that could cause harm. Risk is a combination of two things – the chance that the hazard will cause harm and how serious that harm could be.

Understanding the level of risk attached to psychosocial hazards will help applicants prioritise what issues they plan to address.
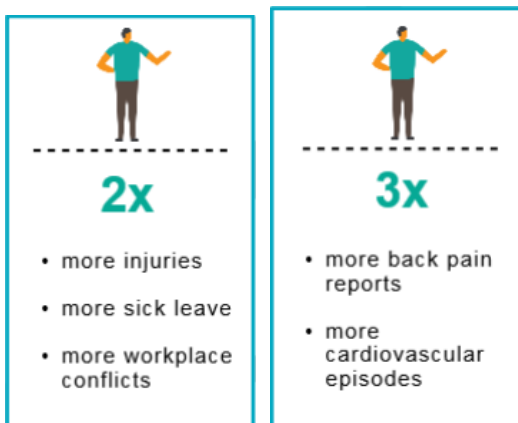
Predictors of psychosocial risk come from three key areas of how work is designed (or organised)[2]:

1. ***Job characteristics and the nature of the work*** – job demands, workload, work schedule, job control, physical environment, and equipment issues
2. ***Social and organisational context of work*** – organisational culture and function, interpersonal relationships at work, role in organisation, and career development
3. ***Individual risk factors*** – individual differences, and home-work interface.

Protective factors in this context are the conditions or attributes in workplaces that lower the likelihood of negative outcomes or reduce the level of risk. Acknowledging and building on strengths can reduce or eliminate the risks i.e. psychosocial risk factors for workers attributed to lack of role clarity, could be mitigated by good support.

The Problem

The Mental Health Foundation estimates the costs of low workplace wellbeing include:

2x
- more injuries
- more sick leave
- more workplace conflicts

3x
- more back pain reports
- more cardiovascular episodes

(Mental Health Foundation of New Zealand, 2016)

COVID-19 and its global impact has shone a spotlight on wellbeing and the need for workplaces to consider a broader range of hazards/risks i.e. psychosocial that impact on worker wellbeing, particularly for those workers undertaking high risk activities.

Solutions implemented to improve worker wellbeing usually focus on biomechanical and workplace risk factors at the individual level e.g. support equipment and its adjustment, altered work methods, or lifting training. These methods miss the opportunities to address psychosocial and work organisation factors that systems and Good Work Design approaches enable.

The 2017 attitudes survey carried out by WorkSafe, found that 11%, or more than one in ten workers, reported stress-related or mental illness caused by work. Those working in small businesses with six to 19 workers were even more likely to have had a stress-related or mental health issue.

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[2] WorkSafe New Zealand, April (2019). Psychosocial hazards in work environments and effective approaches for managing them. New Zealand Government.

The Building Research Association (BRANZ) and Site Safe funded the country's first report on suicide in the construction sector. The report (released in 2019[3]) reflects the pressures on construction workers who died by suicide and aims to provide evidence to inform future prevention initiatives.

The study reviewed 300 coroners' files of suicides in the construction industry between 2007 to 2017. Coroners' reports listed workplace pressures as a factor in nearly a third (32.3%) of all cases.

The workplace pressures mentioned in coroners' reports included:
- job insecurity or uncertainty
- the stress related to running a business
- pressure to deliver under deadlines
- juggling responsibilities
- dealing with an injury or illness affecting the ability to work.

One in eight (13%) of all cases listing workplace pressures included experiences of job insecurity or uncertain work situation.

Stress and fatigue can impair workers ability to make appropriate or timely decisions, and therefore can pose potentially significant safety risks. Whilst experiences of fatigue and compromised mental health associated with unhealthy levels of stress are increasing, both can be reduced through better management of wellbeing risk factors (e.g. psychosocial) that lead to injury.

Injuries and wellbeing

In 2018, ACC commissioned research into the link between farm injuries and wellbeing. This piece of research interviewed 25 farmers to understand whether wellbeing contributed to their injuries on the farm. Of those interviewed, 58% said that a wellbeing issue contributed to their injury, and 24% said it was a major contributor. These issues included:

- having too much to do and not enough time (35%)
- feeling fatigued or exhausted (25%)
- feeling stressed (20%)
- the challenges of coping with the ups and downs of farming (19%)
- lack of sleep or poor-quality sleep (19%)
- feeling in need of a break away from the farm (18%) (Wyllie, 2019)

Almost every farmer interviewed thought most farmers and farm workers were interested in trying to reduce their risk of injuries. Many noted that they could not afford to get hurt, either financially or in terms of needing to get the work done. Most felt farmers respond well when people try to encourage them to think about injury prevention (Wyllie, 2019).

ACC, the Mental Health Foundation and Farmers Mutual Group (FMG) have partnered to deliver Farmstrong wellbeing initiative to give farmers the skills they need to live well, farm well and get the best out of life. Statistics from 2015 showed the cost of active claims from farm-related accidents was almost $52 million and the average time taken off work from farm-related injuries was 11 days (ACC, 2015).

For more information visit Farmstrong, and to view the Farmstrong Injury Prevention Case Study visit Injury Prevention video case study and print resource

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[3] Bryson, K., Doblas, J., Stachowski, C. & Walmsley, A. (2019). Suicide in New Zealand's Construction Industry Workforce: Factors Identified in Coronial Reports. BRANZ Study Report ER40. Judgeford, New Zealand: BRANZ.

Case Study: The Cause Collective – Workplace Wellbeing Ecology

Validating a scalable approach to health and safety risk and injury prevention for Maori and Pacific workers.

The Cause Collective, a grant recipient of the August 2019 grant round is undertaking a project that utilises indigenous knowledge and belief systems in a codesign approach with workers and management to create meaningful workplace connectivity and behaviour change linking people, processes and systems.

Two primary issues emerged from early prototyping:

1) an inability to understand and respond effectively to the needs of staff

2) an inability to understand the correlation between productivity and wellbeing.

Maori, Pacific and migrant workers:
I know what needs to be done, but nobody asks or involves me. My culture is not deeply understood or valued in the workplace

Business Leaders:
We can't effectively reach or engage our Maori, Pacific and migrant workers - but they are most at risk of death, injury and harm. We are facing a tsunami of mental health. We feel overwhelmed

Referred to as the Workplace Wellbeing Ecology (WWE) initiative, the framework developed by The Cause Collective uses two key models that are unique from other health and safety behaviour models:

- The first model is systems thinking which is an approach that enables us to understand the specific conditions of systems that we can affect change in that will impact safety practice and behaviours across the system.
- The second model is an indigenous and cultural approach that is strengths based which focuses on improving worker wellbeing and achieving behaviour change in workplace safety through a culturally relevant lens. From a Maori and Pacific perspective wellbeing is viewed holistically through relationships with others, the workplace environment and systems that impact behaviours and attitudes towards good health and safety.

The project is validating indigenous Māori and Pasifika injury prevention solutions and developing a scalable prevention model with a set of learnings and tools capable of expansion across multiple workplace settings, creating system level change. The project is on track to add to the evidence base showing increased workplace wellbeing, productivity and reduces workplace injury and harm.

Recommendations for proposals

We encourage sectors to engage in systems thinking, recognising the complex interrelationship of the many factors that can contribute to an injury, using the principles of 'Good Work Design' (GWD) to prioritise the identification and management of psychosocial hazards in the workplace that have the greatest impact on worker wellbeing.

We anticipate that this approach will support sector collaboration on the development of industry specific profiles for protective factors that will:
- lift capability within the health and safety system in New Zealand
- generate innovative solutions that reduce the number of injuries to workers
- lower the rate of claims from the ACC work account.

We will prioritise proposals that:
- have the voice of the worker as central to the proposal
- are focused on identifying the root cause of psychosocial hazards in the workplace i.e. job characteristics/nature of the work; social and organisational context of work; individual risk factors etc
- plan to rethink the design of work processes and practices challenging conventional workplace practice
- look to develop sector wide, industry specific guidance on protective factors most likely to mitigate psychosocial hazards and/or engage in better management of psychosocial risk factors in the workplace
- engage workers in the design and testing of innovative products/solutions that lower injuries from a known psychosocial hazard or set of risk factors across a sector i.e. fatigue or stress
- have a sound rationale/programme logic behind projections for lowering injury rates and claims across a sector. The reduction of workplace injuries and claims is a key performance outcome for the project.

Proposals should not:
- focus on developing a solution without undertaking GWD practice
- pitch training and/or wellness products that are not part of a broader approach to achieving system level change in the identification and management of the root cause of psychosocial hazards and risk in the workplace.

Outcomes we are seeking

All applications must evidence each of the outcomes we are seeking from the *'Managing psychosocial hazards and risk in the workplace through implementation of Good Work Design to improve worker wellbeing'* investment priority:

- show sustained collaboration among industry leaders to drive initiatives which reduce psychosocial hazards/risks linked to work-related injury in the target sectors
- within three years evidence a measured reduction in the number of work-related injuries and claims from the target sectors
- generate data that enables us to monitor outcomes and benefits for up to ten years
- generate system capability development that provides exemplars in the identification, prioritisation, and development of solutions to complex hazards i.e. psychosocial risks that impact negatively on wellbeing in the workplace, and are a likely cause of higher injury rates in high-risk sectors
- develop industry-wide solutions to managing risk factors linked to psychosocial hazards that are most likely to contribute to injuries in the workplace for the identified sector/s.

Measuring for impact

Sectors with an interest in the *'Managing psychosocial hazards and risk in the workplace through implementation of Good Work Design to improve worker wellbeing'* theme for Grant Round 4 will need to demonstrate how the proposal or intervention will provide a return on investment (ROI) from the work account.

Our return on investment model makes assumptions around the number of claims that will be saved if the intervention realises its projected benefits.

These assumptions are made based on:

- the target audience
- the projected reach of a project i.e. how many businesses and workers will be touched by the intervention
- the efficacy of the intervention using known rates of efficacy for different types of interventions.

In simple terms, we expect a $2 return on every dollar invested in a project.

You'll be required to understand the overall claims profile for your sector/s, be able to estimate the size of your sector and project the reach of your project into that sector. You will also be required to identify the relevant injury claim categories most likely to evidence claim savings if your project is successful.

If stress and or fatigue were psychosocial hazards workers in the transport (incl the postal and warehousing industry) identified as a priority, we might expect that the efficacy of an intervention designed to address the hazards i.e. an intervention addressing workload or the length of shifts, would be evidenced in injury categories associated with high risk activities such as driving and production lines (i.e. falls, trips and slips, hitting or being hit by object, body stressing and vehicle incident)

Example: transport (including postal and warehousing)
Key Inputs applicant provides to support us to determine the ROI on their grant proposal:

1. ***CU codes the proposal will touch*** – Classification units can be found in the ACC Levy Guide Book Transport (Postal & Warehousing) CU Codes = 65090; 66420; 67090; 61100; 66190; 71110; 61210; 66210; 71120
2. ***Size of transport Industry (including postal and warehousing)*** – FTE estimate = 54,407
3. ***Size of projected uptake of initiative within sector*** – FTE estimate = 16,610

We use this information along with other assumptions on efficacy of the intervention and Knowledge Transfer elements of a proposal to model the benefit projection of the proposal over 10 years:
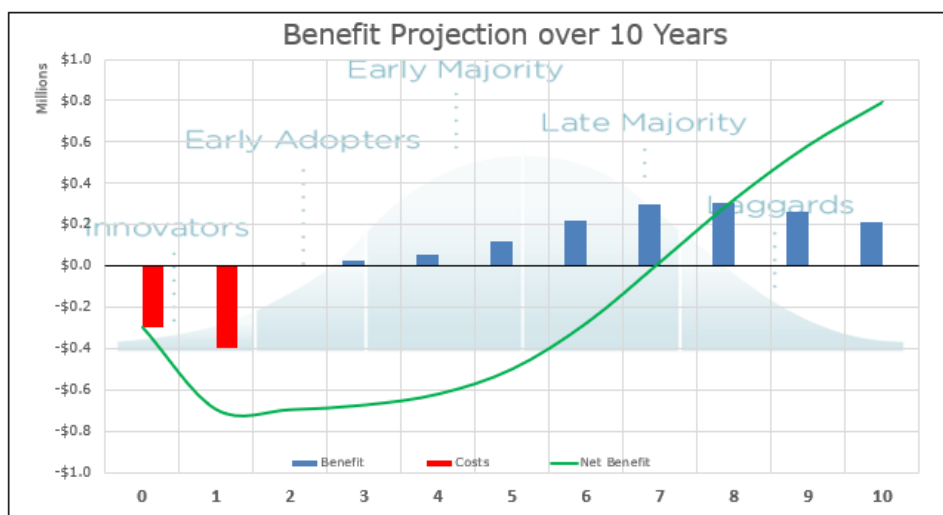
We believe that effective psychosocial interventions will impact the overall claims profile for a sector in addition to more nuanced and often smaller claims categories. To support applicants prepare an initial expression of interest, we have provided a snapshot below of sector specific injury claims profiles and a subset of specific categories from the ACC work account likely to be positively influenced by better management of psychosocial hazards/risk in the workplace:

Construction

Overall claims profile: $121.7M Life-Time Cost Estimate (LTC)
Sub-categories likely to be positively impacted by interventions to reduce psychosocial hazards/risk factors in the workplace:
- Falls, trips and slips $33.1M LTC
- Hitting or being hit by objects $26.9M LTC
- Body stressing $40.4M LTC
- Vehicle incidents $20.9M LTC

Manufacturing

Overall claims profile: $138.2M Life-Time Cost Estimate (LTC)
Sub-categories likely to be positively impacted by interventions to reduce psychosocial hazards/risk factors in the workplace:
- Falls, trips and slips $12.2M LTC
- Hitting or being hit by objects $80.2M LTC
- Body stressing $27.0M LTC
- Vehicle incidents $16.8M LTC

Agriculture

Overall claims profile: $91.0M Life-Time Cost Estimate (LTC)
Sub-categories likely to be positively impacted by interventions to reduce psychosocial hazards/risk factors in the workplace:
- Falls, trips and slips $14.3M LTC
- Hitting or being hit by objects $17.4M LTC
- Body stressing $12.7M LTC
- Vehicle incidents $46.2M LTC

Healthcare and Social Assistance

Overall claims profile: $21.7M Life-Time Cost Estimate (LTC)
Sub-categories likely to be positively impacted by interventions to reduce psychosocial hazards/risk factors in the workplace:
- Falls, trips and slips $5.6M LTC
- Hitting or being hit by objects $4.6M LTC
- Body stressing $5.9M LTC
- Vehicle incidents $5.7M LTC

Transport, Postal and Warehousing

Overall claims profile: $47.0M Life-Time Cost Estimate (LTC)
Sub-categories likely to be positively impacted by interventions to reduce psychosocial hazards/risk factors in the workplace:
- Falls, trips and slips $11.0M LTC
- Hitting or being hit by objects $8.8M LTC

- Body stressing $11.5M LTC
- Vehicle incidents $15.3M LTC

Retail & Wholesale

Overall claims profile: $38.9M Life-Time Cost Estimate (LTC)

Sub-categories likely to be positively impacted by interventions to reduce psychosocial hazards/risk factors in the workplace:

- Falls, trips and slips $9.5M LTC
- Hitting or being hit by objects $6.8M LTC
- Body stressing $15.7M LTC
- Vehicle incidents $6.7M LTC

Notes:

- *Claims profile figures exclude AEP*
- *Subcategories identified are indicative not exhaustive. ACC anticipates identification of injury claims categories impacted by psychosocial hazards will be expanded following engagement with workers. ACC can also offer support to applicants successful in the expression of interest phase to build a better understanding of their sector claims profile.*

Reference material:

ACC Levy Guidebook Your guide to 2021/22 levy rates and industry classifications. https://www.acc.co.nz/assets/business/acc7686-levy-guidebook-2021-2022.pdf

Bryson, K., Doblas, J., Stachowski, C. & Walmsley, A. (2019). Suicide in New Zealand's Construction Industry Workforce: Factors Identified in Coronial Reports. BRANZ Study Report ER40. Judgeford, New Zealand: BRANZ.

Business Leaders' Health and Safety Forum, (updated April 2021). *Mental Health and Wellbeing at Work: Meeting obligations to prevent harm, Harnessing opportunities to thrive*.

Business Leaders' Health and Safety Forum, (May 2019). *Monitoring What Matters: How to identify the critical health and safety indicators needed to understand performance in your business, A guide for CEOs*. https://forum.org.nz/resources/monitor-what-matters/

Business Leaders' Health and Safety Forum Resources for Protecting mental wellbeing at work https://forum.org.nz/resources/protecting-mental-wellbeing/

Farmstrong: https://farmstrong.co.nz/
Farmstrong Injury Prevention Case Study visit: Injury Prevention video case study and print resource
Mental Health Foundation of New Zealand, (2016). *Working Well: A workplace guide too mental health*. Auckland, New Zealand: Mental Health Foundation of New Zealand.

Mental Health Foundation https://mentalhealth.org.nz/getting-through-together/wellbeing-for-parents-and-whanau/te-whare-tapa-wha-GTT

New Zealand Institute of Economic Research, (March 2021). *Wellbeing and productivity at work*. NZIER report to Xero.

New Zealand Government, (May 2021). *Creating mentally healthy work and workplaces: A guide for public sector health and safety leaders and practitioners*. Government Heath and Safety Lead, Ministry for Primary Industries. www.healthandsafety.govt.nz

Parker S. (Prof.) University of Western Australia's Business School (2015). https://www.safeworkaustralia.gov.au/media-centre/good-work-design-and-applying-it-psychosocial-risks . Safe Work Australia (2015) Virtual Seminar Series.

Te Amokura Consultants, (Maramarima / May 2020). *Ngā Putanga Māori, Whāia te tika, kia puāmai ko te ora / seek to do what is right for the wellbeing of all*. [Available on request from ACC]

The Treasury Te Tai Ōhanga. *A wellbeing approach to cost benefit analysis* https://www.treasury.govt.nz/information-and-services/nz-economy/higher-living-standards/our-living-standards-framework/wellbeing-approach-cost-benefit-analysis

WorkSafe Mahi Haumaru Aotearoa, (July 2018). *Health and Safety Attitudes and Behaviours in the New Zealand Workforce: A Survey Of Workers and Employers, 2017 Cross-Sector Report.* New Zealand Government.

WorkSafe Mahi Haumaru Aotearoa, (December 2019). *New Zealand Health and Safety at Work Strategy: Outcomes dashboard.* New Zealand Government.

WorkSafe Mahi Haumaru Aotearoa. (April 2019). *Psychosocial hazards in work environments and effective approaches for managing them*. New Zealand Government.

WorkSafe Mahi Haumaru Aotearoa, (March 2020). Segmentation and insights programme: Employers and workers. New Zealand Government.

Segmentation Fact Sheets:

- WorkSafe Mahi Haumaru Aotearoa, (December 2020). *Workforce Segmentation and Insight Programme: Construction.* Colmar Brunton. New Zealand Government.

- WorkSafe Mahi Haumaru Aotearoa, (December 2020). *Workforce Segmentation and Insight Programme: Manufacturing*. New Zealand Government.

- WorkSafe Mahi Haumaru Aotearoa, (December 2020). *Workforce Segmentation and Insight Programme: Agriculture*. New Zealand Government.

- WorkSafe Mahi Haumaru Aotearoa, (December 2020). *Workforce Segmentation and Insight Programme: Health Care and Social Assistance*. New Zealand Government.

- WorkSafe Mahi Haumaru Aotearoa, (December 2020). Workforce Segmentation and Insight Programme: *Transport, Postal and Warehousing*. New Zealand Government.

Available: https://www.worksafe.govt.nz/research/segmentation-and-insights-programme/

Wyllie & Associates, (July 2019). *Link between aspects of diminished farmer wellbeing and injuries*. Report prepared for Accident Compensation Corporation and Farmstrong.

Helpful Frameworks

Business Leaders Health and Safety Forum. Leading Safety. (2021) Protecting Mental Wellbeing at Work: A Guide for CEOs and their organisations.
https://forum.org.nz/assets/Uploads/Guides/Protecting-Mental-Wellbeing-at-Work.pdf

ISO 45003:2021. *Occupational health and safety management — Psychological health and safety at work — Guidelines for managing psychosocial risks*. https://www.iso.org/standard/64283.html

Mental Health Foundation https://mentalhealth.org.nz/resources/resource/finding-balance-te-whare-tapa-wha-workplace

The Treasury Te Tai Ōhanga *The Living Standards Framework.*
https://www.treasury.govt.nz/information-and-services/nz-economy/higher-living-standards/our-living-standards-framework/wellbeing-approach-cost-benefit-analysis