FMI

The perils of paper-based processes

Moving forward in a digital world

In Australia, facilities management is governed by various Australian & State based legislation, including being guided by the Federal *Work Health and Safety Act* (2011).

> **This framework was created with the intent of providing a consistent national framework for the health and safety of workers.**

In New Zealand, this framework is provided by *Health and Safety at Work (General Risk and Workplace Management) Regulations* (2016).

While some of the detail may differ between Australian states and New Zealand, the general premise is the same. WHS regulation is about minimising the risk of human collateral, ensuring the safety for workers and visitors in the facility.

The act covers everything in the physical work environment, to remote working and emergency plans. While the federal legislation guides each of the States, each State and Territory is responsible for **implementing, regulating, and enforcing WHS law in their jurisdiction.**

Revealing the risks

Different organisations will vary in terms of their appetite for how much WHS risk is acceptable (and is managed/documented within their risk register). When it comes to facilities management, the risks that spring to mind are usually those directly threatening the safety of people and infrastructure.

A risk that is too often overlooked, is that of compliance caused by outdated processes. These insidious risks lurk just below the surface, and while they might lie dormant indefinitely, if an incident occurs, they can be catastrophic.

The penalties for breaching the act can be severe, with fines in the tens of thousands, and in some cases, imprisonment.

The way forward

In years gone by, facilities management relied on paper-based processes or spreadsheets to meet compliance requirements. As technology evolved, the expectations of the regulators evolved to suit the environment.

In today's world, it's possible to store decades worth of information, and communicate with a multitude of people with a click of a button. Technology is present in every aspect of our lives, but in many organisations, facilities management has been left behind.

These processes of the past can leave you in serious breach of your legal obligations under WHS law.

In this eBook, we look at some common compliance risks, and the technologies that help mitigate them.

Processes
of the past

The goal of the *Work Health and Safety Act* (2011) is to ensure everyone has a safe environment in which to conduct their work and business.

> A primary focus of the regulation is to reduce the risk of an incident occurring, in which the facilities management team play an important role; particularly in relation to the built and physical environment.

Providing a safe environment necessitates maintenance work to reduce the risk of an incident occurring. Frayed carpet can become a trip hazard, a leaky pipe could cause a slip, and broken electric plugs run the risk of electrocution.

In the world of facilities management, planned and reactive maintenance come together to reduce these risks as much as possible. Much of the regulations set out by the states aim to address this, by setting standards for an acceptable level of risk.

Sometimes, incidents happen. And when they do, there's another layer of regulation to ensure the right people are aware of that incident, and to reduce the risk of repetition.

Reducing reasonable risks

Work orders, planned maintenance, and the processes that support these, are key in reducing risk in line with compliance standards. Planned maintenance reduces the chance of those hazards ever existing, while work orders and reactive maintenance facilitate the resolution of the hazards that do occur.

Reporting incidents

Even the best laid plans can go to waste, and incidents can still occur even if every reasonable measure has been taken. If an incident does occur, then regulations dictate who needs to know about it, what they need to know, and when.

The paper-based process

Back in the days of paper-based processes, or more recently, excel spreadsheets, the process for resolving a hazard or incident was clunky, tedious, and rife with delays. When incidents occur, intense reporting and communication requirements test the limits of these processes.

Should a hazard become apparent to a facility user, they would have to manually report it to you, as the facilities manager. Generally, this happened via email, phone or by physically seeking you out. If they can't get onto you, if you're having any sort of email problems, or not looking at emails, it could be hours before you're aware of the hazard.

You'd then have to locate and assess the hazard before taking any action. Wherever there's a risk of non-compliance, there will be actors trying to capitalise on that system. Facility users sometimes like to test the boundaries of what constitutes "risk", so this assessment is crucial.

If external resources are required, additional delays are incurred as you hunt down someone who is available within a reasonable timeframe.

Before engaging the contractor, you'd need to ensure their insurance and accreditation is correct and up to date, or risk tens of thousands of dollars in fines.

Finally, after all that, the contractor can conduct the work.

Unfortunately, as we all know, that's not the end of it, and you're left to deal with the aftermath, the paperwork. Recording the hazard, the work done, and letting stakeholders know that the situation has been resolved.

Throughout this process, there are many potential points for compliance risk, not to mention any risks posed by the hazard itself.

Technology to the rescue

Nowadays, there are technology solutions available to streamline this process, and ensure compliance with WHS requirements.

FMI Works allows facility users to log hazards, with photo evidence, directly into the app. This instantly alerts the facility manager, even if they're not at their desk. Within the mobile-friendly, cloud-based application, the facilities manager can instantly assign the work to an available contractor on the spot. Suppliers must have appropriate accreditations and insurance against their profile to be assigned work, reducing the risk of an unauthorised individual doing the work.

The hazard can be actioned efficiently, with a process that makes information for compliance readily available. There's no need to document important information separately, as it is already in the system. The request, triage and move to action is more efficient.

Arguably the best part of this new process is the lack of paperwork. Alleviating the pain of what is otherwise a mountain of paperwork required to remain compliant.

The incident report, time to resolution, time the work was done, and the name of the contractor are recorded, fulfilling those detailed requirements. Automatic notifications can be sent to stakeholders from with the platform to provide the all-important status updates, allowing you to complete that administrative job within seconds.

Many hands make light work

Every worker and visitor in a facility is bound within the *Work Health and Safety Act* (2011) to uphold a reasonable duty of care.

A part of this requirement, along with taking reasonable care to protect themselves, is to ensure their "acts or omissions do not adversely affect the health and safety of other persons".

This means that everyone in the facility is obligated to report hazards and incidents they see, when they see them.

As the facilities manager, you're the one who receives these reports, and are responsible for actioning them. Depending on the severity, additional risks could raise their head if that alert isn't received promptly.

Previously, facility users had to provide that information via phone or, more commonly, email.

Once that user has taken reasonable steps to make you aware of the incident, their duty is fulfilled. They hit send, and the risk of non-compliance is transferred from the facility user, to you as the facilities manager.

But what if that information is not received?

Their email could go to your junk, could be stuck in the sender's outbox, or you might simply not see it because you're on-the go.

Due diligence, according to the Act, specifies that you must have an "appropriate process for receiving and considering information regarding incidents, hazards and risks and responding in a timely way to that information."

This email-based process, or worse – a paper-based process of leaving a note on your desk, can hardly be considered appropriate in todays' world.

Alerts in one place

Solutions such as FMI Works provide you with a dedicated platform to receive alerts and manage the incident, all in one place.

Facility users will also receive confirmation when logging the incident, giving them additional confidence that their duty has been fulfilled.

Leveraging a centralised system for requests, offers certainty that the request will be received, and, will usually have multiple people monitoring that system, as opposed to an individual inbox.

Authorisations:
Tradespeople, accreditation, and insurance

Before any work can be undertaken to resolve a hazard or incident, there must be an assessment of who will be resolving it.

Certain work classes are required by regulation to be performed by an "authorised" person.

Some work must be conducted by someone who is appropriately qualified. These requirements may vary from state to state, so be sure to check your jurisdiction.

Additionally, it's important to ensure work is only sent to those suppliers who have appropriate accreditations and insurances.

Accreditation for suppliers ensures work is being performed by an organisation meeting a predefined set of acceptable standards.

It's all too easy to flick a job onto a reliable tradesperson, without validating accreditations every time. However, this exposes you to a huge risk of non-compliance. If a contractors license or accreditation has lapsed since you last used them, you're in direct violation of WHS regulation.

Not only this, but by allowing inappropriate suppliers to conduct work, you are creating a greater risk down the line. The work could fail if not done to an acceptable standard, leaving you in a situation of sinking more money into the asset.

The right person for the job, every time

When you're used a certain supplier a few times, there's an element of trust that their accreditations and licences are all up to date. However, unfortunately this isn't always the case, and these all-important certifications can easily lapse.

Solutions such as **FMI Works** allow you to record the contractors qualifications against their profile. Before you assign work, the system automatically checks all accreditations, licenses, and insurances are in-date and valid.

Communication is key

Communication is a key theme throughout the *Work Health and Safety Act* (2011), yet all too often is something viewed as bonus, rather than a compliance requirement.

As the facilities manager, you have an obligation to consult with not just facility users, but other WHS duty holders in the organisation.

If an incident occurs, there are additional communication requirement to alert the WHS committee.

All details about the incident must be accurately recorded and delivered to the committee in a timely manner.

What happened, when it happened, the response, result and residual risks must all be recorded, and provided, with no detail spared.

For facility users, this communication provides them with relevant information to take reasonable steps of self-preservation.

Keeping workers informed means consulting them when hazards are identified, and when remediating actions are being undertaken.

This is where non-compliance comes into play.

While often these communications are viewed as a courtesy, they are a fundamental part of your obligation under duty of care.

Your obligations to consult with other WHS duty holders are similar to those obligations to the WHS committee around incident response.

WHS duty holders all have some level of obligation to ensuring the continued safety of workers. With shared obligations, comes shared risk and responsibility, so it is critical that everyone is on the same page.

All duty holders must have access to the same, up-to-date, detailed information to ensure compliance with WHS requirements.

Keep everyone in the loop

Without a centralised system, communication is limited to calling, or manually emailing every facility user and stakeholder. Engaging in this clunky communication, necessary every time an incident or hazard occurs, is both non-compliant and inefficient.

By leveraging a centralised system, you can take this arduous process, rife with potential for a compliance breach, and automate the hard work and pain out of it.

Systems such as **FMI Works** allow you to send out automated status updates to facility users to ensure everyone is appropriate informed.

Recording details of work, hazards, and incidents in a centralised place, gives other duty holders confidence they are accessing accurate, updated information. As with the communications for facility users, automated notifications can be set up for duty holders, keeping them informed of the process.

This automation removes guesswork from an otherwise convoluted communications process, and significantly reduces your risk of non-compliance.

WHS Committee

If an incident is to occur in your facility, you are obligated to provide a detailed report to the WHS committee. This committee needs to know every detail of the incident, and it's their job to find out what caused that incident, and why.

Many organisations leverage incident management systems to record this information. However, when it comes to providing the information, this is where your FM system can come into its own. Relevant work orders and asset histories can be exported within seconds for upload into the incident management system, offering context that would have otherwise taken weeks to obtain.

Risks in record-keeping

The *Work Health and Safety Act* (2011) states that due diligence "includes taking reasonable steps to acquire and keep up-to-date knowledge of work health and safety matters".

By using paper-based processes, disparate spreadsheets, or a combination of the two, you are exposing yourself to a potential compliance breach of information availability.

These processes make it unnecessarily difficult to chase up information about previous incidents. With bits and pieces stored all over the place, it is nearly impossible to be confident the information you do have is accurate and up to date.

In the case of an audit, this can create some serious compliance problems.

If an audit is conducted, the regulator is within their rights to request reports on incidents occurring up to six years prior. They may request to see an assets maintenance history, to ensure due diligence in reducing any potential risks.

While it is possible, to an extent, to keep these records in spreadsheets and paper, it's far from easy. Expectations for information validity and accessibility are evolving along with technology.

How long will it take to trawl through filing cabinets or old spreadsheets, before you're able to provide the information requested by the auditor?

In today's world, we increasingly expect information to be available on demand, driven by services like search engines, which present you with a lifetime of information within a fraction of a second.

While the expectation on delivery speed is different when it comes to auditors requesting asset information, the element of impatience is impossible to avoid.

On the front foot

By leveraging a cloud-based solution, you can significantly reduce the time it takes to appease the request of the auditor. Storing information securely in the cloud means it is available when, and where you need it. Better still, if your chosen solution is mobile optimised, you won't even have to return to your desk, and will be able to deliver details on demand.

Beat the breach

Part of your obligations under WHS law is to ensure accurate records are kept of any incidents.

> A data breach can put you at risk of non-compliance as it can cause important data to be destroyed or otherwise made unavailable.

The news is rife with companies suffering data breaches, their confidential information snatched by bad actors. According to ARN, data breaches in Australia cost victims **$3.3M on average.**

The vast majority of these data breaches aren't as evil-genius as you might think. In fact, most of the time where there has been a data breach, human error and poor processes are to blame.

The agent may well have just found those papers, or found the password to your computer, giving them access to all your files and spreadsheets.

Even without criminal activity, spreadsheets and paper-based processes are lousy with opportunity for data loss. Saving files locally exposes you to risk of data loss from multiple perspectives. If damage is done to your hard drive, or you lose it, that information could be gone forever.

When information is physically stored, it is at the mercy of the physical environment within which it is kept. From fire and flood, to moisture and ageing ink, paper-based processes mean your compliance is as fragile as the paper the information's printed on.

Protect your data

By leveraging a centralised, cloud-based system, these risks can be significantly reduced.

Cloud software involves hosting your files on a secure, remote server, rather than a local area network or directly onto your device. Meaning data is now available, in its most current state, whenever, and wherever you need it, on any device.

Cloud software means data security becomes the problem of the software provider. Companies delivering cloud software go to great lengths to ensure your data is as secure as possible and protected from emerging threats.

Additionally, frequent backups reduce the risk of data loss, in the worst-case scenario if there is data loss, these backups minimise that loss.

What's the risk, really?

Workplace health and safety regulations are rules, not guidelines, and every effort should be made to comply with those regulations. However, every organisation will have its own approach to managing risk.

> **This is as much a financial decision as it is an ethical decision. For some organisations, no credence is given to compliance until an incident occurs.**

Compliance requirements can be intimidating, and can require sizable investments of time and effort.

But it doesn't have to be this way

Technology solutions like **FMI Works** significantly reduce the time and effort required to align not just with regulations, but with best practice. These solutions cost a fraction of what an investigated breach would, and as a bonus save immeasurable time and stress.

Turning risk into reward

While we might bemoan the strict requirements inflicted upon us from WHS laws, compliance with these laws can offer further opportunities.

By ensuring compliance with strict regulatory frameworks, you can end up with a reporting structure the rest of the business will envy.

It's a situation we've all been in; trying to convince the powers that be that your team is more worthy of additional funding than others.

The system that ensures the provision of information for regulators can provide that same information to stakeholders.

Being able to provide information like the ratio of replacement to repair cost, time to resolution and number of requests can go a long way towards proving the validity of your resource request.

As an added bonus, information graphically presented in an easy to digest manner leaves little room for misinterpretation.

Appendix A:
WHS Legislation

Work Health and Safety Law

The *Work Health and Safety Act* (2011) is a federal act of parliament. The purpose of this act is to provide a framework for consistency between states regarding workplace health and safety.

Each state is required to implement and enforce workplace health and safety laws.

State based WHS Laws

Each of the states has their own laws with respect to workplace health and safety. In addition to these requirements, each state will also have regulations surrounding fire safety, building codes and hazardous materials.

You can find each of the state-based laws here:

- *Work Health and Safety Act* (2011) of New South Wales
- *Occupational Health and Safety Act* (2004) of Victoria
- *Work Health and Safety Act* (2011) of Queensland
- *Occupational Safety and Health Act* (1984) of Western Australia
- *Work Health and Safety Act* (2012) of Tasmania
- *Work Health and Safety Act* (2011) of the Australian Capital Territory
- *Work Health and Safety (National Uniform Legislation) Act* of the Northern Territory

Appendix B:
Codes of Practice

While the standards dictated in the code of practice are not enforceable, they provide valuable guidance to reduce your risk of non-compliance.

Safe Work Australia has developed a **National Compliance and Enforcement Policy** to harmonise WHS laws under the Act for consistency.

Safe Work Australia has also defined a series of national **model codes of practice** for WHS. These codes of practice are expanded at a state-based level to provide more detailed information on how to meet the required standards under relevant WHS laws.

Similarly to the Act, each state has their own model code of practice to guide organisations towards compliance.

You can find more information here:

- *Queensland WorkSafe codes of practice*
- *NSW SafeWork codes of practice*
- *Victoria WorkSafe codes of practice*
- *South Australia SafeWork codes of practice*
- *WA Gov codes of practice*
- *ACT WorkSafe codes of practice*
- *Tasmania WorkSafe codes of practice*
- *NT WorkSafe codes of practice*

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