

## SME Communications Research (2016)

### A Summary of the Findings

#### 1. Background & Objectives

Small and Medium sized Enterprises (SMEs) are critical to the UK economy, accounting for 60% of employment and half of all business turnover in the UK. As part of HSE's Helping GB Work Well strategy, there is a drive to do more to support small businesses.

It is important therefore that any regulations (including health and safety-related) strike the right balance between protecting the workforce and ensuring small businesses are still able to function effectively. While the current level of engagement among SMEs with Health and Safety (H&S) is mixed, HSE ideally wants all SMEs to comply with H&S in a proportionate manner, in line with their individual levels of risk. There is a desire for all SMEs to:

- Understand their responsibilities;
- Seek out the relevant advice & guidance;
- Act on this guidance proportionately.

In order to better support SMEs, the HSE Annual Business Plan (16/17) commits to reviewing the effectiveness of HSE communications with SMEs with a view to identifying new actions or approaches needed to help SMEs meet their obligations more easily and better manage risk.

Research was therefore required to help HSE better understand the needs, attitudes and behaviours of SMEs in the UK around H&S, with a view to assisting them to comply appropriately. Insight from this research is required to help inform future SME strategy, delivery and communications plans.

More specifically, the objectives of the research were to help HSE understand:

- The SME 'customer journey' when it comes to engaging with H&S:
  - How this varies by size, sector, risk level, and other key variables.
  - What other factors drive SME engagement with H&S issues – with a view to forming typologies of SMEs (i.e. classifying SMEs into groups which share common characteristics).
- SMEs needs when it comes to informing themselves about H&S and complying with their obligations.
- What drives some SMEs to seek external paid for help with H&S.
- How HSE can:
  - Influence SMEs awareness, attitudes and behaviours around H&S issues.
  - Help SMEs take a sensible and proportionate approach to achieving compliance.
  - Encourage SMEs to seek out advice and guidance.
- To what extent HSE advice, guidance and communications currently meets the needs of SMEs; including how and where can HSE make improvements.

## 2. Research Methodology

The research was qualitative in nature; in other words it involved in-depth conversations with a representative mix of SMEs following a list of topics, but allowing individuals to respond in an open manner. This was a robust qualitative study - we spoke to the person in the business responsible for H&S in 120 SMEs, equating to 75 hours of conversation (both one-on-one and in group sessions).

We conducted a mix of focus groups and in-depth interviews:

- Ten, two hour, focus groups were conducted in central locations. The groups were used to enable us to understand how H&S is discussed in a group conversational setting.
- In addition, we conducted 60 in-depth interviews, the majority of which were conducted in their place of work. These interviews were an hour in length and enabled us to explore each SME's journey when it came to H&S and engagement with HSE.
- The research was conducted among a mix of SME types – the sample was structured to ensure a range of risk, SME size (1 through to 249 employees), tenure, sector and geography. The locations for the research were London and the South East, Glasgow, Manchester, Swansea, and Nottingham.
- Quotas were set to ensure inclusion of businesses which employed someone dedicated to H&S (versus those for whom H&S is only part of their job) and minimum numbers who used external, paid for, H&S advice.
- In both group and in-depth sessions we spoke to the person in the business responsible for H&S. These individuals were free found to ensure a representative mix of business participation.

## 3. Main Findings

### 3.1 H&S in context

There are a number of factors to be borne in mind which serves as context for this research. SMEs feel that they operate in a challenging business environment: they feel under pressure and time poor. This ultimately impacts on their perceptions of H&S, as only dedicated H&S staff (for whom H&S is a source of professional pride) are able to devote all their time to this. For others H&S is something they are fitting in around other activities and can feel outside of their core expertise and their main professional focus.

That said, while the prominence of H&S is highly variable among SMEs, the majority take H&S seriously and are willing to put in place the necessary procedures to keep people safe.

*"I just feel it's part of being a good company. Our work is not massively dangerous, but there are risks. We have very low turnover here and the staff feel a bit like family. I certainly feel it is my responsibility to make sure they are safe at work. Accidents will always happen but we need to take this stuff seriously." Small Business*

### 3.2 The balance between 'health' and 'safety'

SMEs tend to focus on the here and now, guarding against immediate harm, and therefore the focus is more on 'safety' than on 'health'.

- The key exceptions to this are areas where health has been appropriated by safety, such as asbestos and more serious muscular skeletal injuries. Stress is not a focus for the majority and is more likely to be seen as the domain of HR.

### 3.3 Perception of HSE

For many, HSE is a remote organisation lacking in relevance to them, and only those SMEs among the more high risk and regulated industries mention HSE spontaneously. HSE is believed to ‘set the rules’ around H&S, but beyond this there is only patchy understanding of HSE’s role and it is often not the main driver of H&S compliance in their business.

This patchy understanding means that among businesses that are a target for HSE inspections, HSE is seen to be there to ‘govern and police’ in a somewhat threatening and powerful way. However, among other SMEs with limited contact with HSE (eg only via the website), HSE is a rather more remote but benign organisation, there for ‘information and guidance’. Although these two roles are not necessarily contradictory, HSE tends to be seen as one or the other by SMEs, and some SMEs wondered if there is room for a middle ground where HSE works in greater partnership with businesses to improve H&S.

### 3.4 Motivations to engage with H&S

The research found that a number of ‘push’ and ‘pull’ factors impact on an SME’s level of engagement with H&S – ranging from personal and cultural motivations to engage, professional motivations and financial factors. Overlaying this is the degree to which the individual with responsibility feels empowered to act, based on their own level of knowledge, training and the time available to focus on it.

SMEs fall into two overarching groups, heavily influenced by whether the ‘push’ or ‘pull’ factors dominate:

- **‘Directed’ audiences:** SMEs where the ‘push’ factors dominate. They have to comply with H&S requirements laid down by an external body or bodies, including large clients. There is therefore a commercial imperative to comply and in some cases it is mandatory. This external body, rather than HSE, is the foremost driver of their H&S procedures.
- **‘Autonomous’ SMEs:** SMEs where the ‘pull factors’ dominate, that is their own and/or the company’s motivation to comply. Their motivations to engage come from a number of sources including professional pride, duty of care and the attitudes of management. Their approach to H&S and their own levels of knowledge and expertise are highly variable. This group are more likely to be left to their own devices and were often less confident they are getting it right.

Within these two broad groups, the research enabled us to categorise the SMEs into a number of different audience types (SME typologies):

#### Directed

- **‘Directed Expert’:** those with a formal, dedicated H&S role and who are characteristically confident and competent
- **‘Directed Non-Expert’:** SMEs who typically are not large enough to employ someone with a dedicated H&S role. They therefore tend to be time pressed and less knowledgeable than the ‘Directed Expert’, despite the often sizeable H&S burden laid down in their directed requirements. This group can feel they are ‘feeding the ‘H&S beast’.

#### Autonomous

- **‘Informed & Engaged’:** this group of SMEs are confident and competent in their approach. Often they will have several years’ experience of dealing with H&S, and typically they have grasped the H&S mantle and feel relatively on top of what needs to be in place.

- **‘Engaged & Unsure’**: this group of SMEs are trying hard to ‘get it right’ but lack confidence and can feel doubtful that all has been covered. Often they are less experienced or new to the role, and are at risk of over or under complying due to their uncertainty.
- **‘Reluctantly Engaged’**: for this group H&S often feels like a somewhat thankless, and therefore resented, task. H&S is typically a role they did not want, or were least adept at avoiding, or they may be the business owner who has no one to pass it onto. They are doing just enough to get by, largely to avoid the (perceived) risk of litigation.
- **‘Cavalier’**: this group do care about safety, but they are not particularly concerned about the letter of the law. They do care about the wellbeing of themselves or their colleagues (who are often peers with whom they have a longstanding working relationship), but they feel it is reasonable to take a ‘common sense approach’ and are prepared to take calculated risks to get the job done.

While SMEs tend to predominantly fall into one typology or another they can move between Directed and Autonomy typologies depending on the project/client.

### 3.5 Perceptions of H&S burden

In the main, SMEs feel that the H&S burden is proportionate to the degree of risk within their business. However, the main exceptions are:

- Where the requirements are dictated by an external body and where these ‘directed’ requirements vary slightly between different bodies.
- Where an SME is anxious about whether or not they are compliant with requirements, potentially opening them up to the risk of litigation.

This situation can then be compounded when SMEs feel that there is a lack of definitive guidance from HSE, fuelling a sense of anxiety. The research found that only the most experience and expert stakeholders feel confident interpreting the current guidance. In particular, distinguishing between the absolute requirements and what is ‘best practice’ can be challenging (often referred to by SMEs as ‘grey areas’).

Where these factors occur, then an SME’s focus can focus on the paperwork in place in the hope or belief that they are ‘covered’. This concern for the paperwork can be prioritised over ensuring H&S is being taken seriously on the ground. Overall, the feeling of disproportionate burden that arises in these cases can leave SMEs feeling somewhat resentful.

### 3.6 Influences on SMEs approach to H&S

The influences on SMEs when it comes to H&S are wide and varied but can be grouped into three core categories: ‘Dictators’, ‘Advisors’ and ‘Informers’.

**‘Dictators’** are those organisations that impose H&S requirements on SMEs, such as customers, accreditation schemes, Government bodies, Local Authorities, parent companies and insurance companies.

- The suspicion among affected SMEs is that Dictator requirements are ultimately being driven by fear of litigation and may be over and above the HSE’s requirements.
- There is some frustration that numerous, slightly different, accreditation schemes have been allowed to proliferate, which can add significantly to the cost of doing business.
- This was more apparent in those industries (e.g. construction) where there does not seem to be one universally accepted scheme.

**‘Advisors’** are organisations that help interpret the guidance, such as the more engaged trade associations, industry bodies and H&S consultants.

- The main benefit of advisors is that – at their best – they give tailored advice and can help to instil confidence.

‘**Informers**’ are organisations that provide ‘self-serve’ information about H&S. The HSE website is included here (among those who are familiar with it).

- Here SMEs are required to interpret information for themselves and apply it to their own circumstances.

### **The role of Trade Associations**

Some SMEs mentioned the role of trade associations, who at their best are both advisor and informer. However, relationships are hugely variable and some trade associations are viewed with a degree of cynicism: as another organisation SMEs feel obliged to pay money to with little sense of value provided in return.

### **The role of H&S Consultants**

The research also found that the fear of litigation and complexity of navigating H&S requirements has contributed to the market for H&S consultants providing advice and support in a number of areas: from one off preparation of policies and procedures to more ongoing support. However, there is evidence that the purchase process for these consultants could be improved: with the quality of advice received being hugely variable, and as inexperienced buyers SMEs seem to struggle to assess the quality of services up front.

## **3.7 HSE as a source of guidance and support**

Those who are directly accessing HSE guidance tend to do so online, although the HSE website was a planned destination only for the more expert and engaged SMEs, with others arriving at it via a Google search.

The research highlighted a number of challenges with the current HSE website:

- Many SMEs ‘don’t know what they don’t know’: less expert audiences are not always confident they are asking the right questions and all but the most expert find the site hard to navigate.
- SMEs are typically time poor and H&S is often only one of their many roles: it can be hard and time consuming to find the area relevant to them and much of the content is long, complex and contains numerous follow-up links. This can leave SMEs uncertain they have the full answer.
- H&S is a daunting area for many and the site does little to reassure the less expert and the less educated audiences. Much of the content is perceived to be aimed at the H&S professional and fails help less expert audiences feel confident that they will find something aimed at them.

## **3.8 Responding to SME needs**

The research showed that different SME audiences have varying needs of HSE and that there is greater scope to target each audience differently:

- The primary need from the **Directed** typology is to simplify the volume of directed requirements, ideally centralising these through one central accreditation. Although the more experienced and expert SMEs in this group are relatively well served by HSE guidance, those who are less expert (or have less time to dedicate to H&S) would welcome a more streamlined and easier to understand website – ideally including interactive tools and templates to make it easier to fulfil their ‘directed’ requirements.
- Among the **Autonomous** typology the primary need is to make it easier to access and interpret the guidance by tailoring it more to their needs and business type. Those lacking expertise and confidence

struggle to interpret the so called 'grey areas' in the current guidance, and would welcome clearer (more definitive) guidance. They would also benefit from some form of tailored competency assessment advice.

## 4. Opportunities

The research suggests a number of opportunities to improve support provided to SMEs, for HSE to explore:

- Possibility of creating a more consistent sense of HSE across all touch points (e.g. as authoritative, accessible, fair and proportionate).
- Scope to improve the HSE website and digital offering, designed more firmly around user needs.
- Reviewing guidance, with a view to reducing ambiguity and making it more accessible to non-expert and less educated audiences.
- Exploring how to reduce the administrative burden experienced by Directed SMEs.
- Considering how to respond to SMEs' need for a more advisory approach or service (e.g. through development of online competency assessment tools or working with the more effective Trade Associations)
- Supporting SMEs to make better purchase decisions around H&S consultants
- Once improvement are in place, seeking ways to raise awareness of the role and relevance of HSE and actively promoting tools to SMEs. In particular, getting in earlier - influencing SMEs from the outset when they are starting up, and via other Government bodies such as HMRC and the FSA (who are also involved with businesses from the start).