What is Occupational Health and Safety Assessment Series (OHSAS 18001) & Should I Care?

DNV Certification

MANAGING RISK

The role of safety standards

When considering OHSAS 18001 or any similar standard, an organization should be aware that the standards do not replace or negate any federal, state, or local regulations concerning occupational safety and health issues. OHSAS 18001 was developed to provide organizations with an internationally accepted system for managing the organization's activities and processes in order to reduce or eliminate OH&S risks to employees. In general, the objective of any type of standard, whether it relates to the manufacture of cars, airplanes, and machinery, or in the petrochemical process industry, or in the delivery of a service - transportation, hospitals, etc. - is the same. Standards are designed to promote, facilitate and enable consistency in activities and processes or to provide assurance that the processes (for quality purposes, product output) will meet requirements, to provide a uniform and predictable outcome every time a set of procedures are executed. It is important to understand that standards, in and of themselves, do not necessarily produce, in this case, "safe" behavior or a safe workplace, or process.

The Occupational Health and Safety Assessment Series (OHSAS 18001) standard was first published in April 1999 and revised in July 2007 to improve alignment with ISO 14001:2004 throughout the standard. Compatibility with ISO 9001:2000 was also improved in the 2007 revision. This was done to facilitate the integration of quality, environmental and occupational health and safety management systems by organizations, should they wish to do so. Today, OHSAS 18001 is not an International Organization for Standardization (ISO) standard or an ANSI standard but it is internationally recognized. OHSAS 18001 was specifically developed to enable organizations to systematically control OH&S risks and improve performance. It does not state specific performance criteria.

The OHSAS 18001 Standard may be applied within any organization that wishes to:

1. Establish and implement an OH&S management system in order to eliminate or minimize hazards and risks to employees and people working on its behalf

The Standard

2. Implement, maintain, and continually improve its OH&S management system and specific OH&S performance targets

3. Provide a mechanism to facilitate OSHA compliance

4. Demonstrate to customers, employees and other stakeholders that the organization conforms to an internationally recognized standard

OHSAS 18001 is compatible with the ISO 9001 and ISO 14001 series of standards and their underlying principles and processes such as the Plan-Do-Check-Act. While there are some differences, OHSAS 18001 is also very compatible with ANSI/AIHA Z10-2005, *American National Standard - Occupational Health and Safety Management Systems* which was released on September 5, 2005 through the American Industrial Hygiene Association (AIHA).

What is an Occupational Health and Safety Management System?

An Occupational Health and Safety Management System (OHSMS) provides a framework for managing OH&S activities, procedures and processes so they become more efficient and a more integrated part of the overall business operations. An OH&S management system also provides a formal structure for identifying and managing significant OH&S hazards and risks. OH&S Management Systems are based on standards which specify a process for achieving improved OH&S performance and complying with regulations.

DNV offers certification to the internationally recognized assessment specification OHSAS 18001.

Registration can:
- **Reduce risk**
- **Provide competitive advantages**
- **Help companies maintain compliance with legal requirements**
- **Improve overall business and OH&S performance**

The OHSAS 18001 Standard

OHSAS 18001 is an international management system standard developed with input from international companies, cooperating National Standards Bodies and registrars including DNV. The standard consists of a "Foreword" section that includes scope, definitions, reference publications and the auditable management system requirements. It also includes an informative Annex and Bibliography sections.

The structure of the OHSAS 18001 standard

The structure of OHSAS 18001 is complimentary to the clause (element)

structure of ISO 9001 and ISO 14001. **(Note: OHSAS 18001 has not been updated to reflect the new clause numbering and nomenclature of ISO 9001:2000 and ISO 14001: 2004.)**

The Requirements of OHSAS 18001

4.1 General Requirements
4.2 OH&S Policy
4.3 Planning
    4.3.1 Hazard identification, risk assessment and determining controls
    4.3.2 Legal and Other Requirements
    4.3.3 Objectives and program(s)
    4.3.4 OH&S Management programs(s)
4.4 Implementation and Operation
    4.4.1 Resources, roles, responsibility, accountability and authority
    4.4.2 Competence, training and awareness
    4.4.3 Communication, participation and consultation
    4.4.3.1 Communication
    4.4.3.2 Participation and consultation
    4.4.4 Documentation
    4.4.5 Control of documents
    4.4.6 Operational Control
    4.4.7 Emergency Preparedness and Response

4.5 Checking
    4.5.1 Performance measurement and monitoring
    4.5.2 Evaluation of compliance
    4.5.3 Incident investigation, nonconformity, corrective action and preventive action
    4.5.3.1 Incident investigation
    4.5.3.2 Nonconformity, corrective action and preventive action

    4.5.4 Control of records
    4.5.5 Internal audit
4.6 Management Review

Basic Description of the OHSAS 18001 clauses (elements)

4.1 General Requirements –To establish and maintain a management system that ensures conformance to the standard. This should help provide for regulatory compliance.

4.2 OH&S Policy – In the terminology of OHSAS 18001, the policy is meant to establish an overall sense of direction and define the principles of action for an organization. This includes stating overall health and safety objectives and a commitment to at least comply with applicable legal requirements and with other requirements to which the organization subscribe that relate to its OH&S hazards, prevention of injury and ill health and continual improvement in OH&S management and performance.

4.3 Planning
    4.3.1 Hazard identification, risk assessment and determining controls – The organization must identify and control risks associated with routine and non-routine activities of all persons having access to the workplace (including contractors and visitors).

    4.3.2 Legal and Other Requirements–The organization must understand and be aware of any regulations affecting its operations and keep up to date. Relevant personnel must be kept informed.

    4.3.3 Objectives and program(s)–The

organization must set measurable (quantifiable where practicable) OH&S objectives and track results in all relevant locations, levels and functions. The organization shall define programs for achieving its objectives and define means to monitor, review, update and record as needed. Programs should include designated responsibilities and authorities and the means and time-frame to achieve the objectives.

4.4 Implementation and Operation

4.4.1　Resources, roles, responsibility, accountability and authority **–** The organization shall ensure the availability of required resources and establish roles, and designated responsibilities and authorities, and ensure that these are defined, documented and communicated as appropriate.

4.4.2　Competence, training and awareness **–** The organization must have effective procedures ensuring that personnel assigned to tasks are competent.

4.4.3　Communication, participation and consultation

4.4.3.1 Communication **–** The organization needs to determine means to communicate internally, with contractors and other visitors and also define how to respond to external interested parties communications.

4.4.3.2 Participation and consultation**–**The Organization needs to determine how workers will participate in hazard identification, risk assessments and accident identification; consultation of contractors where there are changes that affect their OH&S.

4.4.4　Documentation **–** The organization must describe the elements of its OH&S management systems in electronic or paper form.

4.4.5 Control of documents – The organization must define control mechanism for all internal and external documents required by the OH&S management system to ensure that they are effectively managed and protected.

4.4.6 Operational Control–The organization must establish, document (as the standard requires), and implement procedures to control the identified hazards and risks of its operations including stipulating operating parameters and establishing and maintaining procedures for the design of the workplace.

4.4.7 Emergency Preparedness and Response–The organization must identify the potential for accidents and incidents and establish plans and procedures to respond to them, including the mitigation of any illness or injury.

4.5 Checking

4.5.1 Performance measurement and monitoring –The organization must establish key performance parameters to monitor the OH&S management system and performance objectives, considering the following: procedures, qualitative and quantitative measures, proactive and reactive performance indicators, and recording of data.

4.5.2 Evaluation of compliance–The organization must define means to periodically evaluate compliance with applicable legal requirements and any other to which it subscribes.

4.5.3 Incident investigation, nonconformity, corrective action and preventive action

4.5.3.1 Incident investigation –The organization must establish and maintain procedures that define how the organization handles incidents (The term "accident" is now included in the term "incident"), identification of needed actions to mitigate their consequences, the initiation and close out of corrective and preventive actions, and confirmation of the effectiveness of the actions taken.

4.5.3.2 Nonconformity, corrective action and preventive action –The organization must define means for dealing with actual and potential nonconformity(ies) and for taking corrective and preventive actions and review their effectiveness.

4.5.4 Control of records –The organization must maintain records and manage them, as appropriate to the standard and its own systems, to ensure that the documentation is properly categorized, traceable to the pertinent activities, is legible and protected.

4.5.5 Internal audit – The organization should review and continually monitor the effectiveness of its OH&S management system through periodic internal audits.

4.6 Management Review–Top management must conduct reviews of the OH&S management system. This includes assessing the system for continual improvement opportunities, effectiveness, and suitability, etc.

Should OHSAS 18001 certification be a part of my company's business plans?

There are costs associated with implementing an OH&S management

system in conformance to OHSAS 18001. If companies make this investment, then it is extremely important that they are able to derive positive benefits and a financial return on that investment.

There are basically four reasons why any organization would consider OHSAS 18001 certification:

1. Minimize health and safety risks to employees and others
2. Improve business performance
3. Assist organizations in establishing a responsible image within their marketplace or industry sector
4. Ensure an impartial, credible assessment of the OH&S management system

Some direct benefits to employees and to the financial bottom line of the organization which have been reported include:

- Reductions in downtime and associated costs
- Recognized demonstration of legal and regulatory compliance
- Increased access to new customers and winning additional work (especially with governmental agencies)
- Reduction of public liability insurance costs
- Reductions in the number of incident reports (i.e., OSHA reportables) for several consecutive periods
- Due to the results achiev1ed, certain organization's top management have justified direct rebates to employees for safety shoes and other safety equipment, and existing PPE was often enhanced.
- Procedures were updated to reflect current practices; Records were

maintained and standardized, which resulted in a more reliable reporting system and more meaningful data.
- All employees or those working on the organization's behalf have been trained and/or refresher training has been provided, and training has been extended into new employee orientation programs. Evacuation drills were held as well as specialized training in CPR, proper fire-extinguisher use, spill cleanup, pollution prevention, and conservation of energy and resources.
- Turnover rate has decreased. Your answers or responses to the benefits described above should provide you with a strong basis to make an informed decision as to whether OHSAS 18001 should be in your company's plans. One thing is key, if based on the responses to the above, you make a determination that OHSAS 18001 should be in your company's future, put plans in place to do it at your own speed—not someone else's. **Do not** wait until your best customers, a governmental agency or an industry association, give you an "or else" ultimatum requiring you to be certified in six or nine months in order to continue to do business with them.

What does OHSAS 18001 registration/certification require?

Registration requires evidence of implementation of OHSAS 18001 requirements, which includes: Procedures and records to maintain compliance to applicable laws, commitment to continual

improvement (in a broad sense), and commitment to prevention of accidents and incidents. The decision to actually certify an organization to OHSAS 18001 will be dependent on the specific business goals that the company has in conforming to the standard as well as the market and public context in which the company operates. For some companies, independent, third-party certification may be the most beneficial option. For example, companies selling products to markets in Europe or to governmental agencies might face considerable pressure to obtain third-party certification. However, even in Europe, companies should not presume certification will be necessary. It is very important to understand that either third-party certification or self-declaration may be options. Third-party certification may or may not be mandated by the supplier's customers.

Has there been acceptance of the OHSAS 18001 standard?

While there is no accurate count of the number of certificates issued, the OHSAS 18001 standard has been accepted and adopted by businesses in many countries throughout the world.

What is the OHSAS 18001 certification process?

The basic steps to certification involve an independent evaluation (audit) by an external, unbiased company – i.e., the OHSAS 18001 certification body or registrar. Generally speaking, a document review and a two stage on-site audit process are typical steps that must be undertaken by an organization toward achieving OHSAS 18001 certification. (An optional pre-assessment may be selected in addition to the two stage audit. This can be conducted in conjunction with the stage one initial visit.)

Selecting a Registrar

The size of the audit team and the duration of the on-site audit are a function of the number of employees within the scope of the audit and the type and number of hazards and the risks associated with the organization's activities. Typically, two people would be required to conduct the OHSAS 18001 certification audit.

During the stage one audit (initial visit), the audit team will check that the company has identified all of the applicable federal, state and local OH&S requirements, statutes and any other requirements to which it subscribes. The effectiveness of the management review process for identifying and defining hazards and risks will also be evaluated. A review of how the significance of the identified hazards and risks is determined will also be conducted. Since OHSAS 18001 is based on a "Plan-Do-Check-Act" model, the stage one audit of the OH&S management system is focused on ensuring that the "plan" aspect of the model has been effectively implemented. Areas of non-conformity will be noted and corrective actions may be required.

The stage two audit (certification audit) is typically scheduled 4 to 6 weeks after the stage one initial visit audit. The focus of stage two audit is the "do, check, act" parts of the model. The auditors are seeking to objectively verify that the organization adheres to its OH&S policy, objectives, and procedures as they directly relate to the requirements of OHSAS 18001. The actual recommendation for certification to OHSAS 18001 is based on objective evidence that the OH&S management system is in conformance with OHSAS 18001, and that the organization's associated internal OH&S procedures are implemented and maintained. Ultimately, certification depends on whether or not any major and/ or minor non-conformances were issued by the auditor against the OH&S management system.

How long does it take and how much will it cost?

The time required to implement an OHSAS 18001 compliant system is a function of the size of the company, the number of people involved under the scope of the certification, the complexity of the processes, the sector in which the company operates in, the number and significance of the identified hazards and risks, and the degree to which the existing OH&S management system meets the requirements of the standard. A typical time line for implementation is six to twelve months. Certification costs, that is, those fees paid to the registrar, are small compared to the overall internal costs of the development and implementation of the OH&S management system. The registrar fees are a function of the audit days required to verify conformance to the standard, which in turn is a function of the hazards and risks associated with the organization's activities and the number of employees and sites, etc. Most registrars will provide a no obligation costs quotation on request.

Selecting a Registrar

If you are planning on becoming certified to OHSAS 18001 or another accredited management system standard, the selection of your "certifying" body is an important decision. Everything being equal, this is a relationship that will be in place for a very long time. That is why it is so important that your choice is one which will provide you with a partnership approach to certification, provide you with value-added services and result in a certification that is recognized and accepted by your customers and

prospects. In the OHSAS 18001 marketplace there are a large number of registrars offering certification services. It is an unregulated market - that is anybody can set themselves up as an OHSAS 18001 registrar, perform audits and issue certificates. It is very much a "buyer beware" market place. So how do you go about making an informed decision when selecting your registrar?

If you call several companies and ask a series of challenging questions - "What was your experience with XYZ registrar? What impressed you most about the registrar? What did you least like about your dealings with them? Would you recommend them to others?" If you ask these questions of six or seven companies, you will get a pretty good picture of the overall character and the philosophy of the registrar. Everything being equal, this is a relationship that will be in place for a long time and it is therefore imperative that you make a decision based on sound information.

Areas to consider when evaluating registrars:

- Technical competencies
- Interpretation of the standard and overall philosophy
- Price
- People factors

Technical competencies

Most registrars that are accredited have very similar "technical" competencies. These competencies are defined and are mandatory requirements of the accreditation bodies or the professional standards body. The "rules" that registrars operate under are largely governed by what is known in the certification industry as "accreditation bodies." Most of the countries

that have adopted or accepted the OHSAS 18001 standard have their own national accreditation body. In the U.S. that body is the American National Accreditation Board (ANAB formerly the RAB.) Having management system accreditation by ANAB or another accreditation body is an important attribute when selecting a registrar and a key factor in making your initial "short list" of candidates. In order to become "accredited" a registrar must undergo a rigorous audit and review process. Currently, ANAB does not offer OHSAS 18001 accreditation. However, registrars accredited for ISO 14001, in order to maintain their accreditation, are subject to ongoing surveillance audits and other formal requirements to ensure the quality of their services and for the maintenance of technical competencies. Not all accredited registrars are created equal. There are considerable differences between them that should be assessed before a selection is made.

Interpretation of the OHSAS 18001 standard and the overall philosophy

There may be variances in how registrars interpret the OHSAS 18001 standard and/or their general audit philosophy. As examples, are they auditing to the letter of the standard or do they adopt a more pragmatic approach of auditing to the intent of the standard? What kind of customer service response can you expect if you select a particular registrar? What is their track record on customer satisfaction? What experience does this particular registrar have in your industry sector, how many certificates have they issued to businesses like yours? These questions are best answered by talking to clients who have selected and become certified by the

registrar that you are considering. Reference accounts are fine but are generally selected or pre-screened by the registrar. A more effective and potentially unbiased approach is for you to make the customer selection yourself. If a registrar is accredited they are obligated to produce and maintain a list of all companies that they have certified. The list may be in hard copy or part of their web page. Obtain access to the list and then pick six or seven certified companies. Select companies which are either in similar businesses to yours or which are geographically close to you or just select companies whose judgment you trust.

Price is important

Money is obviously important to most of us as individuals, as employees and as managers and owners of businesses. Most of the major registrars have an overall cost of certification which is similar. Auditor day rate might appear to be a convenient indicator to compare registrar costs - but it will not give you the basis for an apples-to-apples comparison. An important thing to keep in mind is that registrars have many different ways of actually structuring their quotations. There are some registrars that have application, listing and administration fees, additions to travel expenses, cancellation and deferment fees. There are almost as many pricing schemes as there are registrars. How they price is not nearly as important as the overall cost for certification - having said that, keep a look out for cancellation and deferment charges which can be particularly unfriendly. Irrespective of how a quotation is structured the important thing is that you are able to determine the exact "cost-of-ownership." Most registrars will have certificates which are valid for three years. Irrespective of how the pricing is structured, ask for quotations in a format that will allow you to determine the full, accurate costs for a three year period. This will enable you to make an apples-to-apples comparison of registrar charges.

So all these things being equal - how do you make an informed decision? When making a registrar selection price is important but should not be your primary selection criteria. If you make a decision based solely on price you are probably making a decision that you may regret later. Certification is a free market service. This means that there is no requirement for a registrar to be accredited (some industry specific standards may require accreditation.) If a registrar is unaccredited there are no rules or requirements for auditor training and qualifications, industry or work experience, the methodology for the certification process and more. Compliance with accreditation requirements costs money - but has value to you as a customer. Look for registrars that offer "value added" services beyond the structured certification process such as company listing on their web site, electronic access to your audit reports and audit schedule. The external fees that you will pay to registrars for your certification are small compared to money you will have invested internally in putting your system in place. Most estimates will show that the internal costs are at least 10 times the costs that you will pay the registrar. Having made the commitment and investment to implement a system in conformance to OHSAS 18001 - keep cost in mind when making your registrar selection but make sure that you take into account the other important factors described here.

People Factors

The registration/certification process is very much an "individual people" business - outside of the certificate itself, there is no physical product. The "product" consists of a series of interfaces from initial requests for information, requests for quotations, answers to questions, visits and presentations. Ask yourself the following questions about your initial experiences when dealing with a potential registrar candidate. They will give you a pretty good indication where the registrar is on the "people factor" scale:

- What was and has been the response to your requests?
- Were the responses timely?
- What was the general attitude of the people you had to deal with?
- Do they really act like they would want and work to keep your business?
- Are these the kind of people that you would look forward to having a long term business relationship with?

Summary

Selecting an OHSAS 18001 registrar is an important decision, everything being equal, it is a relationship which will, ideally, be in place for a long time. Taking the time to evaluate registrars based on the above criteria will be a good investment of your time and money.

Additional information

For copies of this leaflet, to request a quotation or for additional information about certification, please call:

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