

## Risk Assessment



You will probably have seen several of my articles on reducing driver fatigue and increasing staff productivity by looking at staff health through nutrition and lifestyle habits. And from various sources we all hear this all the time.

We are not able to change the habits of people overnight and some just don't want to change regardless of the long term consequences that may befall them, their family or their business. However momentum of this call for change is gaining pace and with greater clarity.

My background comes from risk assessment and providing insurance policies to individuals and businesses. However, the concept of insurance needs a major rethink because it was not designed to deliver a solution to a financial loss which is fundamentally man-made.

The insurance industry has been developed on the premise of cause and effect and as long as the insurance premiums can provide a financial solution to the effect then most people are contented with this. It's easy and in most circumstances it's 'a no brainer' as a solution. But in some situations it is no longer working as well as it could, mainly because we have forgotten to manage the human factor and our impact on the 'cause'.

We all know how we are affected by a loss whether it be to any vehicles in the fleet or the office premises and we assume that the financial settlement will patch it up. But that's exactly what the solution is - it's a patch up job. It only deals with the symptoms and not the cause. And even with insurance it still costs us in terms of downtime, disruption and insurance excess costs - and later on possibly increased premiums and ACC costs.

Discuss ways to change staff behaviour with Behavioural Psychologists and they have a three way model which not only looks at the consequences (the cause) but also look at the Antecedents (the environment that the person lives within). So to change staff behaviour you change the environment and then watch the effect upon the consequences.

You ask, in practical terms what topics are included within the subject of the environment?

- Food
- Sleep
- Home life
- Work life
- **Amount of control that a person has in their lives** (level of demands that are placed upon them daily and the skill base that person has).

Each of these sub categories of the environment have an effect upon our bodies and mental capacities. If we do not have the right balance in our lives, the correct level of nutrition to provide the level of energy required to be optimally productive and be healthy, we then succumb to

preventable degenerative diseases. These then prevent us performing optimally and this at the end of the day causes accidents, death, illness, mistakes, wastage lack of clarity and reduced income. It is these items that we buy insurance for. But it's totally preventable. **The solution is to influence the lifestyle choices and environment of staff (and ourselves) to make a real difference.**

Furthermore if you applied this train of thinking and put your business on the right track you could possibly apply the 80/20 rule to your business. 20% of your business growth is derived from optimal use of 80% of the volume of resources. One of your biggest resources is your staff and they need to be productive at an optimal level with reduced levels of absenteeism and presenteeism. Look after the environment and help them to improve their health - then watch what happens in regard to reduced accidents and improved safety with improved profitability of the business.

So to be on the right track and to have a true understanding of the risks that really affect your business you need to understand how the environment impacts upon your staff's ability to be optimally productive and improve your company's bottom line.

If interested in case studies of how others have done it, feel free to give me a call.

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