

# RISK TOLERANCE

April 28<sup>th</sup> is the National Day of Mourning to remember workers killed and injured on the job. Injuries on the job are a common occurrence in Canada. In 2012, there were 245,365 workplace injuries (that's 672 workers everyday!). Although the number of work-related injuries has fallen dramatically since the late 1980's (which many in the labour movement attribute to the improvement of health and safety standards in the workplace) injuries and fatalities still remain a concern.

Implementing strong safety programs is only half the battle. At the end of the day, the responsibility for identifying and avoiding risk will frequently fall on individual employees. It is often recognized that a big cause of serious – and often fatal – workplace incidents is **employee error**, meaning employees do something they are not supposed to do or they fail to do something they are supposed to do. These errors can be intentional or unintentional. Therefore, employees must be trained to recognize and evaluate risk, and then decide how much risk they are willing to tolerate.

**Risk Tolerance** is defined as the willingness of a worker or a group of workers to take safety risks. It is a workplace culture that relies on employees being able to perceive risks when they arise, understand the consequences of the risk and then make a decision whether or not to tolerate that risk. Studies have consistently shown that certain individuals are better at identifying risk than others, and the better your workers are at identifying risk, the safer your job site will be.

**Risk Tolerance begins with the employee being able to recognize the risk, understand the risk, and then decide if they accept or reject the risk.** The following has been developed by Dave Fennell, a Safety Professional and Consultant based in Alberta.

There are three cognitive processes that workers need to employ when they are faced with a potential hazardous situation:



## 1. HAZARD IDENTIFICATION *(do I see it?)*

The employee uses visual or sensory input to identify a situation that could lead to risk. Common systems in place to address risk include HID forms (Hazard-reporting system) and job safety analysis (tools for identifying hazards associated with specific tasks).



## 2. RISK PERCEPTION *(do I understand it?)*

The employee must understand how a hazard could result in incident or harm. He/she needs to process sensory information to determine exactly how and to what extent those hazards could impact his/her well-being.

## 3. RISK TOLERANCE *(do I accept or reject the risk?)*

The employee then employs the cognitive process of deciding to proceed with the task or activity, to change how he/she does it, or to not do it all.

**Some of the key elements of Risk Tolerance have been compiled by Dave Fennell and we present them below:**

1. **Over-estimating capability/experience** – workers with many years’ experience can overestimate their ability (physical strength, agility, reaction-time, etc.), and as a result, the real risk is grossly underestimated.
2. **Familiarity with task** – employees who repeatedly undertake high risk work regularly down-grade the risk and this can lead to procedural shortcuts and complacency, which increases the risk. The worker can become “unconsciously competent” in that he/she can do the work without thinking and can be unaware of potential hazards.
3. **“Confirmation bias”** – once a worker makes the decision to participate in an activity, he/she can convince him/herself that it is safe, despite actual risks, and an underestimation of risk can occur. This is exemplified when the worker has control, or perceives he/she has control, over the task.
4. **Over-confidence in equipment** – employees can overestimate the capability of personal protective equipment and come to believe that technologically advanced equipment is infallible.
5. **Confidence in protection/rescue** – employees may consciously or subconsciously expose themselves to risk thinking that an emergency response plan is “foolproof” and a call to 911 can “save the day.”
6. **Role model accepting risk** – when a supervisor/manager is seen to be taking shortcuts or intentionally taking on risk, the behaviour is normalized.
7. **The personal cost of non-compliance** – employees can be influenced by how high the cost of non-compliance will be. If the cost of non-compliance (taking a risk) is going to be high, such as losing a job or receiving a fine or penalty, the employee may decide to conduct him/herself in a less risky matter.
8. **Profit or gain from actions** – Persons may profit from their own actions by taking shortcuts. The company itself seeks to profit by taking greater risks.

#### Finding Solutions: How can we develop improved risk tolerance skills in employees?

1. Workers must understand the principles behind each of the factors (**hazard identification, risk perception, and risk tolerance**).
2. Workers must learn how to identify the presence of each factor in the workplace.
3. Workers must understand how to address each factor to reduce the risk; and
4. Workers must be able to explain and articulate the factors for all front-line workers and supervisors to help them reduce the acceptance of risk.



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