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Digital Risk Inventory and Evaluation (RIE): a Dutch approach offering valuable support for small business owners



The Dutch Working Conditions Act requires employers to perform a Risk Inventory and Evaluation (RIE). Until recently, small business owners in particular were unhappy about this rather time-consuming obligation. However, the introduction of digital RIE instruments disseminated through the web has simplified the process enormously. This approach is strongly supported and subsidised by the Dutch ministry of Social Affairs and Employment. By using these digital instruments, employers in small and medium-sized enterprises (SMEs) can comply with the law cheaply and easily, and help to ensure a healthy work environment.

This article describes the background and development of the digital RIE approach in the Netherlands, focusing particularly on the SMEs sector. It touches on important features to keep in mind when implementing such an approach on a national level.

Dutch legal background

Under the Dutch Working Conditions Act, all employers must record the risks faced by their employees, as well as when and how they intend to reduce those risks, in their working conditions policy. Since 1994, a Risk Inventory and Evaluation has been obligatory for all Dutch employers where more than 40 hours' paid labour is performed a week.

The purpose of the RIE is to answer questions such as: Have any accidents ever occurred at the company premises? What could go wrong that might cause damage? What is the risk of a specific undesirable event happening? How could this risk be limited? Subsequently, in consultation with the employees, a plan of measures is developed in which the business owners outline how and when they plan to deal with the risks.

Until recently, all companies in the Netherlands were required to have the RIE approved by a certified OSH service. The costs involved often made small business owners reluctant to perform an RIE. However,

Dutch legislation no longer requires companies with between 10 and 25 employees to engage an OSH service for a full authorisation of the RIE. Instead, if the RIE instrument is accepted by the social partners, a partial authorisation through an OSH service is sufficient.

Since 1 July 2005, companies with fewer than 10 employees are likewise no longer required to have the OSH service review and the RIE approved. Instead, they are required to complete an RIE that has been approved by the employers and employees of the relevant sector or industry.

Stone Age RIE instruments

For a decade (1992-2002), the 'old' RIEs were paper questionnaires that hardly made any distinction between business sectors – they were virtually the same. Employers were required to read the whole questionnaire to find the parts applicable to their sector. 'The dizzying array of questions would sidetrack employers from what really needed to be done in their business. In addition, many had no idea what the purpose of various questions they had to answer was, so it took them a lot of time to complete the questionnaire,' says Mario van Mierlo, Secretary for Working Conditions Policy at MKB Nederland, the Dutch association for small and medium-sized enterprises (SMEs). MKB Nederland represents 125 sector organisations and 175,000 SMEs. The vast majority (90 per cent) of Dutch SMEs employ 10 people or fewer. In such companies, the owner/entrepreneur will often personally take on a number of work-related activities, such as the development of a working conditions policy.

To make this process easier for entrepreneurs, MKB Nederland turned to TNO Quality of Life in 2003 and asked them to develop a generic digital RIE for SMEs that would be easier to fill in. The Dutch Ministry of Social Affairs and Employment, acknowledging the problems faced by small business owners, co-funded the development of this tool. Partners in the development were the Dutch OSH services Commit, Stigas, Arbo Duo and Avenso.

This pioneering project helped entrepreneurs from SMEs to switch from using Stone Age instruments requiring exhaustive struggles with piles of paper to a simple, efficient and interactive digital tool.

A Dutch offensive in digital RIEs

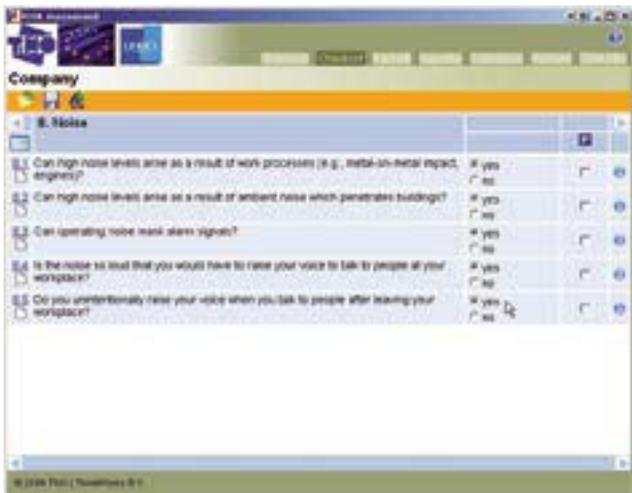
Meanwhile, around 2003, a new cabinet in the Netherlands decided to drastically reduce the administrative burdens faced by Dutch



citizens and companies. The political vision was that excessive administrative burdens were slowing down economic growth and widening the gap between citizens and the government.

A special taskforce was appointed and the objective was to cut the administrative burden by 25% in four years. An initial analysis showed that OSH regulations imposed a rather substantial administrative burden on the Dutch business community. Specific research performed by TNO for the Ministry of Social Affairs and Employment demonstrated that many OSH administrative and bureaucratic obligations really frustrated small and medium-sized enterprises. This research¹ has shown that some entrepreneurs regard RIE as an administrative obligation that adds little to their core activities: doing business, surviving and growing. One entrepreneur called the RIE a 'paid insult'.

Consequently, the ministry decided to build further on the successful digital tool developed for MKB Nederland. TNO was then asked to produce digital risk instruments for many sectors in close collaboration with social partners and OSH services. Today, more than 70 digital RIEs have been developed for different business sectors. These range from hospitals to fish shops and care givers. Each sector has its own tailor-made instrument with questions related to its specific risks. Moreover, through the use of so-called filter questions, where a 'Yes' ignites a new set of questions, the user can navigate easily through the forms.



Entrepreneurs can download the questionnaire from the Dutch websites www.rie.nl and www.arboportaal.nl. And they are certainly doing so: on average, 5,000 copies of the digital RIE are downloaded each month.

Taking just 90 minutes to complete, field-specific digital RIEs are remarkably easy to use. Business owners only need to answer questions that are truly relevant to their particular field. Questions regarding the risks involved in transporting hazardous substances are no longer a standard part of the survey. After all, what relevance do such questions have for respondents in, for example, the sports sector? Sector-specific RIEs also make it easier to provide detailed solutions: if the owner of a bar doesn't have a protocol for connecting the beer pump, a protocol can immediately be downloaded through the hyperlink in the digital RIE. In fact, in the

¹ Heemskerck, F. et al. (2003), (TNO and BMVS): Kleine bedrijven en arbo [Small enterprises and occupational health and safety]. 'Ik wil geen antwoord, maar een oplossing' [I don't want an answer but a solution]. SZW, The Hague.

Netherlands today, sector organisations are stimulated to develop so-called OSH solution catalogues. This goes a step beyond the digital risk assessment, because it offers immediate solutions to employers. In this approach, best practice in a sector is collated and presented to all, thus avoiding the need for each individual employer to 'reinvent the wheel'.



The digital RIE project approach was not focused exclusively on a top notch digital instrument, but it also took into account the management of a process in which social partners and OSH services active in the specific sector could be included in the developmental process. Moreover, a relevant incentive was introduced for sector organisations to motivate them to participate, it was stipulated that if the digital instrument was developed and accepted by social partners, the members of the sector organisation would be subject to less severe enforcement by the Dutch labour inspectorate.



Impact

The important question is: has this approach resulted in a significantly higher compliance rate amongst SMEs? Entrepreneurs



using the instrument have indicated in evaluations that they value the simplification and computerisation highly. It saves time and the digital instruments are well-synchronised with business practice. However, not all entrepreneurs are aware of the new offer and it appears that there is still computer phobia in some sectors, so the old paper RIEs are still in use.

Initially, it appeared from figures gathered by the Dutch labour inspectorate (AI) that compliance with the RIE obligation was reasonably high in the Netherlands. However, because of the under-representation of very small businesses (with less than 10 employees), these figures painted too flattering a picture. However, one can assume a compliance percentage of between 50% and 59% of all employers in the Netherlands. Compliance is lowest amongst the (very) small businesses. Figures from the Dutch labour inspectorate for 2006² yielded the following picture:

Company size and compliance with RIE obligation

Company size	Compliance percentage with RIE obligation
1-4 employees	42%
5-9 employees	53%
10-99 employees	82%
> 100 employees	97%

The implementation of developed instruments and approaches by sector organisations down to the shop floor is also less than expected. This is particularly true for small businesses.

Moreover, it is a fact that support for legislation on occupational health and safety in very small businesses is in general exceptionally low. However easy it is made by the government, many entrepreneurs are not convinced of the added value of an administrative obligation such as completing an RIE. This is not to say that no time is being spent on health and safety measures; rather that other measures are being taken in order to improve working conditions. This is often done in a reactive manner as soon as an actual problem comes up. In the second half of 2007, the Ministry of Social Affairs and Employment commissioned research into what motivates small businesses in deciding whether or not to comply with the statutory RIE obligation. This research is being carried out by TNO.

In recent evaluations, employers have indicated that downloading and retrieving the digital RIE instruments from a website is not always possible. In addition, businesses have indicated that it should be made easier to find the right instrument or explanation on the relevant websites. The government and sector organisations also change their websites often, and this does not promote an efficient search process for users of digital instruments.

In short, the offer of digital RIEs is impressive and in some sectors their use has led to a substantial drop in the administrative burden and an improvement in working conditions. A big step in the right direction has been made by digitalisation and by a development process whereby risks have been mapped and improvement measures have been proposed at a higher aggregation level in a

sector. The government and the sector organisations now need to publicise these instruments more among SMEs. It is also necessary to keep access to the web simple and to ensure the digital instruments are easy to use and kept up to date.

Conclusion

Trade organisations expect that the digital RIEs will enable more business owners to comply with the legal requirements, creating a positive impact on the working conditions in their companies. Additionally, the RIE will reflect positively on the image of employers – after all, the fact that they are using it shows that they take their moral obligation to take good care of their employees seriously. This fundamental principle of being a good employer is set out in both the Dutch Working Conditions Act and the Dutch Civil Code. If employers fail to comply with their duty of care, they may be confronted with a high rate of absenteeism as well as claims filed against them by employees. Given that these claims concern an occupational disease or injury, the burden of proof is on the employers. This means that they must demonstrate to the court that they have done everything possible to prevent damage. If they fail to convince the court, it may have serious consequences. An RIE is a means of showing that employers take their duty of care for their employees seriously.

The fact that such claims are no laughing matter is evidenced by figures provided by the Occupational Diseases Bureau of FNV, the Dutch trade union confederation. In recent years, the Bureau has handled no fewer than 150 cases in which employees sued their employer for damages related to an occupational disease or injury. The majority of these cases were settled amicably. However, some were not, and the courts ordered the employer to pay damages. The compensation awarded covers loss of wages, holiday allowance, pension payments, and sometimes emotional damage. In July 2007 the bureau assisted a consultant from an insurance company in a case against his employers. He received compensation amounting to 237,000 euros because he suffered from burnout caused by his work and no prevention measures were implemented.

What is the main incentive for business owners to take their working conditions seriously? Preventing absenteeism continues to be the best policy and the digital RIE – being cheap, easy and effective – is the best tool to support it.



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² Bos, M., Saleh, F., Erdem, O., Samadhan, J. (2007), *Arbo in bedrijf 2006. Een onderzoek naar de naleving van arbo-verplichtingen, blootstelling aan arbeidsrisico's en genomen maatregelen in 2006*, Arbeidsinspectie.