

Key Trends Impacting EHS programs in 2023

Five key takeaways from the discussion

In today's ever-changing workplace, Environment, Health, Safety and Sustainability (EHS&S) managers must be able to adapt quickly in order to stay ahead of emerging needs. What are the emerging environment, health and safety (EHS) and sustainability trends?

SAI360 brought together EHS experts from Enhesa, the British Safety Council and Verdantix to look into the crystal ball and share what they see for 2023.

\$322 BILLION

Annual global cost of employee turnover and lost productivity when low wellbeing is traced to burnout.*

€56 BILLION

What poor mental health costs UK employers every year.

804

Percentage of EHS professionals who agree that ESG and sustainability is part of their responsibilities.**

25%

Pledged reduction in risk and injuries (back, neck, shoulder) by 2025. Supported by Amazon. Led by the National Safety Council (US).

60%

Odds of a global recession occurring in 2023.†

10

Verdandix's list of top 10 EHS technologies to watch in 2022. 5 of the 10 related to emerging technologies that will further mature and be adopted in 2023.



FOCUS ON MENTAL HEALTH

Stress, depression and anxiety were synonymous with Covid-19. In 2023, the worries are inflation, the cost of living, and a potential recession. Financial well-being is gaining traction with EHS professionals. When people fret over finances, they're not as focused on their work.

A BALANCING ACT - EHS AND ESG

Environmental, Social, Governance (ESG) focus will be on sustainability and emission disclosure requirements. That will drive demand for mandatory emission numbers, which often come from EHS practices. EHS practitioners ensure worker safety, creating a balancing act.



REGULATIONS IN THE SPOTLIGHT

Most jurisdictions are not using guidance-based approaches; instead, they're placing obligations on employers regarding the health and safety of workers. For example, an EU directive encourages improvements. Member states have added the directive to their regulatory frameworks.



GLOBAL ECONOMIC UNCERTAINTY

If there is one area of the company that can succeed in trying times, it's the EHS department. EHS ensures employees are engaged and productive. The C-suite is also looking at the EHS function as never before. CEOs and CFOs know EHS's value.

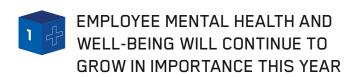


TECH AND DATA RULE

Technology holds the promise of enabling better strategy and decision-making in 2023. There is a big opportunity to increase efficiency by digitizing processes. Trends and insights come from analyzing lots of data, which makes EHS professionals better at their jobs.

*Source: Gallup-Workhuman Wellbeing Report, 2022 | **Source: SAl360 Survey | †Source: Vanguard





Given the heightened sense of uncertainty surrounding a potential global recession, fallout from the Russian-Ukraine crisis, supply chain challenges and weather disasters related to climate change, it is understandable why mental health and well-being will continue to be a major issue in 2023. The panel's view is that mental health and well-being are integral elements of health and safety and for a good reason. There is a direct correlation between mental wellness and the risk of workplace injury.

Marcus Herbert, head of well-being at the British Safety Council, put it this way: "Somebody going through stress, depression or anxiety is at an increased risk of workplace incidents or injuries."

Stress, depression and anxiety are synonymous were the pandemic. Whether it was home-schooling children or working remotely for the first time or lockdowns and mask-wearing, the pandemic and everything that came with it added pressures on families and societies.

Going into 2023, pressures on employee mental and well-being are changing. The worries now are inflation, the cost of living, and a potential recession. When people fret over finances, they are not as focused on their work. As a result, financial well-being is gaining traction with EHS professionals and the media.

The converse is true as well. Employees are more engaged and productive when they are happy with a sense of well-being.

Company leaders can expect to hear more about the importance of employee mental health in 2023, as well as newer regulations and standards like ISO 450003:2021 with guidelines for managing psychosocial risks.



ESG'S FOCUS ON THE ENVIRONMENT CALLS FOR A BALANCING ACT OF EHS PRIORITIES AND PROFILE

Environmental, Social, Governance (ESG) is the number one priority for many companies in response to executive board directives, financial institutions and investors. In 2023, sustainability and emission disclosure requirements will drive demand for mandatory emission numbers and quality, auditable data, which often come from EHS practices. The S in ESG will also play prominently in programs that address diversity, equity and inclusion.

"EHS is a foundational piece of ESG," said Bill Pennington, Research Director at Verdandix.
"Frequently, EHS enables or directs the strategy within an organization, often with a focus on executive teams."
Pennington sees the higher profile of EHS requiring a balancing act with priorities. While EHS has a more prominent seat at the table, the core function of an EHS practitioner is to ensure worker safety. The danger of focusing on the E in ESG is the potential for neglecting the S in ESG, specifically reducing injuries and lost time incidents. As the profile of EHS rises, so does the risk of losing sight of EHS priorities.



REGULATORY COMPLIANCE REQUIREMENTS WILL BE IN THE SPOTLIGHT IN 2023

Many countries around the world are placing obligations on employers regarding the health and safety of workers. In the UK alone, just under one million out of 1.8 million work-related illnesses are attributed to stress and depression anxiety.

Mary Foley, Expert Services Strategy Director with Enhesa shares a global view of EHS regulations: "Within Europe, there is a directive that introduces measures to encourage improvements in the health and safety of workers," said Foley. "Member states have implemented the directive with their regulatory frameworks."



Foley notes that many countries leave it up to businesses to define their methodologies. Countries with a more laissez-faire approach include Australia, Chile, Columbia, France and Norway. These countries rely on guidance, codes of practice, resolutions and other types of self-governance.



ECONOMIC UNCERTAINTY CALLS FOR EFFICIENCY AND ACCOUNTABILITY

There are many indications that a global recession is inevitable in 2023. With storm clouds on the horizon, EHS professionals will need to seek efficiencies in their processes and tout value and results to leaders backed with program proof in numbers. Investing in technology solutions that streamline and automate processes fits with efforts to be more efficient and accountable.

"At the end of the day, in the age we're living, tough times and efficiency are going to be really important in 2023," said Christine Adeline, Senior VP of Product Management and Product Marketing at SAI360.

But if there is one area of the company that can succeed in trying times, it's the EHS department. EHS ensures employees are engaged and productive. It helps too that the C-suite is looking at the EHS function as never before. CEOs and CFOs know the value of EHS.



TECHNOLOGY AND DATA: A WAY FORWARD IN THE YEAR AHEAD

Technology holds the promise of enabling better strategy and decision-making with data analytics. Companies already use software for incident and audit management, among other EHS tasks. Digitizing manual processes is not only more efficient, it can also be safer for workers. For example, when a field worker can easily enter data while out in the field, it avoids double-entry. Top ten EHS technology 2023

"One of the biggest opportunities this year is to increase efficiency by digitizing processes," said Herbert.
"Technology is the way forward." The panel agreed on the role and criticality of data. Trends and insights come from analyzing lots of data and using advanced data analytics. It opens the door to proactive risk management. Data helps identify risk before it happens. EHS professionals are looking for leading indicators to prevent accidents and near misses. Data analysis makes EHS professionals better at their jobs.

INTERESTED IN WATCHING THE FULL PANEL DISCUSSION? CLICK HERE.

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