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Strategies for psychosocial risk management in manufacturing ☆

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ABSTRACT

Psychosocial risk is a concern for employers across Europe. Psychosocial risk management, however, is younger than other risk management fields such as safety, hygiene, and ergonomics. Psychosocial risk control prevents accidents and absenteeism. This study examines strategies for psychosocial risk management in manufacturing organizations. The study employs structural equation modeling to analyze results of the European Survey of Enterprises on New and Emerging Risks (ESENER), a survey that fills an information gap concerning health and safety at work. The analysis yields three latent variables: psychosocial safety management, health and safety activities, and psychosocial performance. The study shows the benefits of adopting psychosocial safety management systems to improve psychosocial risk performance. Psychosocial preventive activities mediate the relationship between psychosocial safety management and psychosocial performance. Effective psychosocial risk management's benefits are so great that policymakers should specifically promote psychosocial risk management. Promoting psychosocial management systems and psychosocial preventive activities is likely to effectively improve overall psychosocial performance in European countries.

1. Introduction

Psychosocial risk is a concern for employers across Europe. The European Risk Observatory (European Agency for Safety and Health at Work, 2007) cites psychosocial risk as an emerging risk form. According to the European Risk Observatory's forecasts, five factors cause psychosocial risk: (i) employment contract forms and job insecurity, (ii) the aging workforce, (iii) work intensification, (iv) high emotional demands at work, and (v) poor work–life balance.

The decision to dedicate the 2014 and 2015 Healthy Work Campaign to managing stress illustrates this issue's importance in Europe. Stress is the second most reported work-related health problem in Europe, and causes more than half of all lost working days in Europe. A campaign leaflet indicates that "managing stress and psychosocial risks can contribute to the delivery and improvement of key business performance indicators, such as meeting quality and delivery goals, becoming a more reliable supplier, lowering operating costs and reducing staff turnover" (Eurofound and EU-OSHA, 2014). As campaign supporting literature asserts, "Psychosocial factors are linked not only to health outcomes but also to performance-related outcomes such as absenteeism, work ability and especially job satisfaction" (Publications Office of the European Union, 2014).

As part of human resource management, an innovative strategy in psychosocial risk management may increase organizational social capital by encouraging relationships among employees. Social capital denotes aggregate resources embedded in, available through, and obtained from an individual's or organization's relationships (Chuang, Chen, & Chuang, 2013). Furthermore, improving social relationships between an organization's members enhances innovation (Maurer, Bartsch, & Ebers, 2011).

Council Directive 89/391/EEC for the assessment and management of psychosocial risks and work-related stress establishes mandatory health and safety management guidelines within the European Union. Employers must evaluate all risks. Council Directive 89/391/EEC aims to improve occupational health and safety. The directive covers all sectors, both public and private, and all types of risk.

The directive states that the employer has a duty to address all types of risk to ensure workers' health and safety in every work-related aspect. Psychosocial risk management, however, is younger than other risk management fields such as safety, hygiene, and ergonomics. Managers should consider motivation, strategy, and perceived risks when deciding which health and safety management model to adopt (Carrillo, Guadix, & Onieva, 2014).

Although psychosocial risks can cause injury and other health problems, very few reports cite psychosocial risks as causing such injury or illness. Therefore, to analyze psychosocial risk management performance, intermediate outcomes such as job satisfaction are useful. In addition, safety management is easier to evaluate by analyzing activities that control and prevent risks.

Most research on psychosocial risk focuses on how psychosocial risks affect health. In business strategy, psychosocial risks deeply

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Table 1
Descriptive statistics for the sample.

	Mean	SD	N
MM155	1.22	0.45	28,649
MM158	1.69	0.75	28,649
MM159	2.13	0.89	28,649
MM250	1.83	0.63	28,649
MM251	1.87	0.73	28,649
MM252	1.95	0.72	28,649
MM302	1.58	0.54	28,649
MM263	2.42	1.18	26,803
MM266	1.48	0.61	26,803
MM267	1.39	0.58	26,803
ER308	1.71	0.48	7226
ER309	1.79	0.43	7226
ER310	1.91	0.32	7226

concern managers because these risks affect workers' health. Scholars estimate at 40% the proportion of outcomes that directly relate to work environment differences (Labriola, Lund, & Burr, 2006).

The demand–control–support model of the 1980s remains the standard for explaining which organizational variables affect workers' psychosocial states (Bakker & Demerouti, 2007). The model comprises three main dimensions: job demands, latitude in job decisions, and social support at work. Kristensen (1995) and Rusli, Edimansyah, and Naing (2008) report that workers in jobs with high demands, low decision latitude, and low social support suffer from greater risk of poor psychological well-being.

Psychosocial risks therefore constitute an important area for managerial improvement within any organization. Psychosocial risk control prevents accidents and absenteeism. Strategically, organizations that manage psychosocial risks effectively can be more competitive. In addition, management involvement is influential in improving overall employee health at the organizational level (Oliver, Cheyne, Tomas, & Cox, 2002). The main organizational outcomes are greater job satisfaction, lower absenteeism, and better productivity (Leka & Cox, 2008).

Today, the psychosocial safety climate is an emerging construct that refers to shared perceptions regarding policies, practices, and procedures that protect workers' psychological health and safety. The construct of the psychosocial safety climate in organizations captures how well organizations manage job demands. In addition, the psychosocial safety climate correlates negatively with psychological health problems (Idris, Dollard, Coward, & Dormann, 2012). Tools such as PSC-12 (Hall, Dollard, & Coward, 2010) measure the psychosocial safety climate.

Management strategies should seek to improve the psychosocial safety climate as a step toward improving overall employee well-being. Increasing job support from managers and colleagues exemplifies such strategies (Dollard, Winefield, Winefield, & de Jonge, 2000). In addition, worker representation can contribute to preventing psychosocial risks (Walters, 2011).

Thus, psychosocial risk management is important in human factors strategy. Buller and McEvoy (2012) discuss linkages between an organization's strategy, its human resources, and performance. According to Chuang et al. (2013), human resource practices that foster relationships between employers positively relate to organizational social capital. Psychosocial risk management thereby contributes to human factors management.

Psychosocial risk management needs specific tools. Leka, Jain, Widerszal-Bazyl, Zołnierczyk-Zreda, and Zwetsloot (2011) highlight the need for a psychosocial risk management standard. In a recent study, Bergh, Hinna, Leka, and Jain (2014) develop a psychosocial risk indicator. Such an indicator could represent a powerful tool in psychosocial risk management. First, however, the existing management system would have to adopt the indicator, and overall health and safety risk management processes would have to integrate the indicator.

Most organizations, however, insufficiently understand and incorporate psychosocial risks into strategic decision processes. The main barrier to understanding and incorporating such risks relates to practical difficulties in knowing how to successfully manage psychosocial risks (Langenham, Leka, & Jain, 2013).

Stakeholders report organizations' inadequate adoption of Council Directive 89/391/EEC (Iavacoli et al., 2011). The current risk-prevention culture in the EU builds on the directive (Leka et al., 2011). However, despite several subsequent policies that contribute to psychosocial risk management in the EU, evaluation of initiatives in psychosocial policies highlights areas for improvement in psychosocial risk management.

Official inspection bodies traditionally treat psychosocial hazards as a marginal issue (Johnstone, Quinlan, & McNamara, 2011). Hence, managers tend to focus less on psychosocial risks than on physical and hygiene hazards. Now, regulators' focus on psychosocial risks is increasing. Enforcement seems an ineffective approach, however. Failure in a 2001–2003 project by the Swedish Work Environment Authority to improve methods for psychosocial risk inspection at work exemplifies this ineffectiveness (Bruhn & Frick, 2011).

Preventing psychosocial risks at work should concern organizations because these risks influence internal and external outcomes, while threatening workers' health and safety. Furthermore, preventing psychosocial risk affords top management an opportunity to gain competing advantage. Accordingly, the psychosocial risk management strategy is an important matter.

This study explores the mechanisms that link managers' motivation to undertake psychosocial safety management procedures with well-performed activities. The study also examines how organizational issues explain organizations' psychosocial risk management performance.

Table 2
Correlation matrix.

Variables	MM155	MM158T	MM159T	MM250	MM251	MM252	MM302	MM263L	MM266_1	MM267_1	ER308	ER309	ER310
MM155	–	.17**	.17**	.13**	.17**	.11**	.15**	.06**	.07**	.07**	.05**	.03	.02
MM158T		–	.25**	.08**	.07**	.05*	.11**	.05*	.05**	.08**	.04	.04	.03
MM159T			–	.07**	.08**	.08**	.11**	.11**	.09**	.13**	.05*	.01	.02
MM250				–	.47**	.38**	.30**	.16**	.22**	.19**	.12**	.14**	.05*
MM251					–	.64**	.26**	.14**	.15**	.12**	.16**	.21**	.06**
MM252						–	.19**	.16**	.16**	.14**	.11**	.16**	.07**
MM302							–	.19**	.29**	.25**	.12**	.07**	.01
MM263L								–	.41**	.39**	.02	.06**	.04
MM266_1									–	.51**	.08**	.06**	.04*
MM267_1										–	.08**	.07**	.03
ER308											–	.41**	.23**
ER309												–	.33**
ER310													–

** Correlation significant at 0.01 level.
* Correlation significant at 0.05 level.