

Emerging Risks Management in Small and Medium Sized Enterprise

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Abstract. Following the changes from years to years, there are always new and upgraded technologies created and utilised in industries which then generates emerging risks to workers. To this recent, there are hardly studies conducted related to the management of emerging risks in SMEs in Malaysia. Therefore, this study aims to investigate the safety management applied for emerging risks in SMEs and to determine the significant differences between the size of enterprises and barriers in managing emerging risks. The study was conducted by distributing a self-administered questionnaire to 55 manufacturing SMEs in Malaysia. The data was then analysed by using SPSS software. From the survey, lack of OSH expert was considered as the main barrier with average percentage of 23.1% followed by complexity of legal obligations by 21.5%, lack of knowledge in OSH (20.5%), lack of financial resources (20%) and lack of training (18.7%). It shows that safety and health performance in SMEs are most influenced by the presence of OSH expertise. There is no significant differences between the size of enterprises and the barriers in managing emerging risks. This can be concluded that, both small and medium enterprises shared the same difficulties in managing emerging risks at their workplace.

INTRODUCTION

New and emerging risk management was studied by European Agency of Safety and Health at Work (EU-OSHA) [1] and later begins to be one of the new topic to be put into more concern. Besides traditional occupational risks, emerging occupational risks are recognised as risks which created from new technologies, new production and organizational systems [2].

In Malaysia, the third objective of Small and Medium Industries (SMI) 2020 Strategic Plan by Department of Occupational Safety and Health (DOSH) is to reduce accident and death rates at the workplace [3]. This plan mainly focused on the manufacturing sector of SMEs. However, according to the DOSH, until April 2021, the occupational accident cases in manufacturing sector still remained high with 1604 reported cases of non-permanent disability, 77 cases of permanent disability and 20 cases of fatalities [4]. A study revealed that 80% to 90% of industrial accidents and injuries in Malaysia was contributed by the SME [5]. Limitation owned by SMEs especially in terms of financial capacity, expertise in occupational safety and health as well as human capital size refrained SMEs from achieving good safety practices as compared to huge firms [6].