THE MEDIATING EFFECT OF SAFETY MANAGEMENT SYSTEM ON THE RELATIONSHIP BETWEEN SAFETY CULTURE AND SAFETY PERFORMANCE IN LAGOS FOOD AND BEVERAGE MANUFACTURING INDUSTRIES

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By

VICTOR OLABODE OTITOLAIYE

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ABSTRACT

Occupational safety in organizations is essential for continuous existence and sustainable growth of a nation. The continuous high frequency of occupational accidents in Nigerian Food & Beverage (F&B) industries calls for a new approach to stem the tide. In order to cope with the challenges and achieve superior performance, organizations need to develop a positive safety culture (SC). Furthermore, the organizations need to implement an appropriate safety management system (SMS). This issue has motivated the embarkment of this study to investigate the mediating effect of safety management system on the relationship between safety culture and safety performance of F&B industries in Lagos, Nigeria. Data was collected from 126 head of safety managers through self-reported questionnaires and data analysis was done using the SmartPLS 2.0. Findings reveal that safety culture and safety management system are significantly and positively related to safety performance. Further analysis indicates that safety management system mediates the relationship between safety culture and safety performance. Thus it is concluded that although safety culture is positively and significantly related to safety performance, however the effect of safety culture on safety performance will be greater if the organizations develop and continuously implement a strong safety management system.

Keywords: Safety culture, safety management system, safety performance
ABSTRAK

Keselamatan pekerjaan dalam organisasi adalah penting bagi kestabilan dan pertumbuhan yang mapan sesebuah negara. Kekerapan berlakunya kemalangan ketika bekerja dalam industri makanan dan minuman yang tinggi dan berterusan di Nigeria memerlukan pendekatan baharu untuk membendung masalah ini. Dalam usaha untuk menghadapi cabaran dan mencapai prestasi unggul, organisasi perlu membangunkan budaya keselamatan yang positif. Malahan organisasi juga perlu melaksanakan sistem pengurusan keselamatan yang sesuai. Isu ini telah mendorong usaha untuk memulakan sebuah kajian bagi menyelidik kesan pengantara sistem pengurusan keselamatan dalam hubungan antara budaya keselamatan dan prestasi keselamatan dalam industri makanan dan minuman di Lagos, Nigeria. Data telah dikumpulkan daripada 126 orang Ketua Pengurus Keselamatan melalui soal selidik yang dilaporkan sendiri dan analisis data dilaksanakan dengan menggunakan SmartPLS 2.0. Dapatan kajian menunjukkan bahawa budaya keselamatan dan sistem pengurusan keselamatan adalah signifikan dan positif terhadap prestasi keselamatan. Analisis selanjutnya menunjukkan bahawa sistem pengurusan keselamatan berperanan sebagai pengantara dalam hubungan antara budaya keselamatan dan prestasi keselamatan. Oleh itu, dapat disimpulkan bahawa walaupun budaya keselamatan adalah positif dan signifikan dengan prestasi keselamatan, kesan budaya keselamatan terhadap prestasi keselamatan akan lebih besar jika organisasi membangunkan sistem pengurusan keselamatan yang kukuh dan melaksanakannya secara berterusan.

Kata kunci: Budaya keselamatan, sistem pengurusan keselamatan, prestasi keselamatan
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"I do not ascribe the success of the journey to myself; for GOD is the fountain of all inspiration, knowledge, wisdom, and understanding"
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<td>BLS</td>
<td>Bureau of Labour and Statistics</td>
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<td>EU</td>
<td>European Union</td>
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<tr>
<td>F&amp;B</td>
<td>Food and Beverage</td>
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<tr>
<td>GDP</td>
<td>Gross Domestics Product</td>
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<tr>
<td>GNP</td>
<td>Gross National Product</td>
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<tr>
<td>HSE</td>
<td>Health Safety and Environment</td>
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<td>ILO</td>
<td>International Labour Organization</td>
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<td>MAN</td>
<td>Manufacturers Association of Nigeria</td>
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<tr>
<td>NAFDAC</td>
<td>National Agency for Food and Drug Administration and Control</td>
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<tr>
<td>NISP</td>
<td>National Institute of Safety Professionals</td>
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<tr>
<td>OHS</td>
<td>Occupational Safety and Health</td>
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<tr>
<td>PCA</td>
<td>Principal Component Analysis</td>
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<td>PLS</td>
<td>Partial Least Square</td>
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<td>SC</td>
<td>Safety Culture</td>
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<td>SMS</td>
<td>Safety Management System</td>
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<td>SP</td>
<td>Safety Performance</td>
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<td>SPSS</td>
<td>Statistical Package for Social Science</td>
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<td>UK</td>
<td>United Kingdom</td>
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<td>US</td>
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CHAPTER ONE
INTRODUCTION

A healthy work environment is an asset to organizations. As such organizations now show interest towards keeping their workplace safe. The quest for good safety outcome was influenced by the craving to reduce the number of occupational accidents as well as human sufferings of employees. Nonetheless, this focus need not be exclusive as organizations now realise that good safety also pays financially. In light of the above, the need to evaluate safety performance in organizations has been noted by researches. This chapter presents the background of the study, next the problem statement is presented in this chapter then subsequent sections provides the research questions and research objectives respectively, followed by the research scope, research significance, definition of key terms then organization of thesis.

1.1 Background of the study

Manufacturing firms are considered vital to economic growth and are increasingly important for sustainable development of any nation (Sangosanya & Awoyemi, 2011). On the basis of the enumerated roles played by manufacturing firms in fostering growth as evidenced in developed and few emerging economies, one can clearly posit that manufacturing firms are one of the major source of economic propeller through the production and export contribution. The Nigerian manufacturing industry holds much significance for the social and economic development of Nigeria as reports from Nigerian National Bureau of Statistics (2014) revealed that the sector contributed about 7% of the total GDP in 2013. But, the growth, performance and productivity of Nigeria’s manufacturing firms have deteriorated at present (Sangosanya & Awoyemi, 2011). In 2009, the Manufacturers
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