

Occupational Health and Safety of furniture manufacturing SMMEs in Soweto, South Africa

Lawrance Seseni

Department of Quality and Operations
University of Johannesburg
Johannesburg, Auckland Park, 2006, South Africa
sesenilawrance@icloud.com

Charles Mbohwa

Department of Quality and Operations
University of Johannesburg
Johannesburg, Auckland Park, 2006, South Africa
cmbohwa@uj.ac.za

Abstract

This study looked at the occupational health and safety of manufacturing SMMEs that are based in Soweto, which is a very big township in Johannesburg, Gauteng Province in South Africa. The aim was to investigate if furniture manufacturing SMMEs consider the occupational health and the safety of their employees. This study adopted a mixed method where a case study was written, unstructured interviews were conducted, and questionnaires were given to the representatives of the enterprise that were studied. This research studied 117 furniture manufacturing SMMEs. It was discovered in this study that the employees did not seem to care what happens to their employees with regards to their health and safety. This adds more knowledge in the sector of furniture manufacturing SMMEs and occupational health and safety. Further research will focus on finding the reason why these enterprises ignore the occupational health and safety Act 85 of 1993. The next research will further seek to find out if ignoring the occupational health and safety is deliberate or they have solid reasons for not considering the Act.

Keywords

Occupational Health and Safety, Furniture Manufacturing, Soweto, SMMEs

1. Introduction

The Occupational Health and Safety Act was first introduced in the 17th century by the British Factory. This Occupational Health and Safety Act restricted women and children from working in factories. In addition, the factory employees liked the act till the late 1960s when they complained that they were no longer safe at the workplace. Because their grievances were not heard, it forced employees to strike for their health and forced the government to review the Act. By that time, they had a very high number of employees that had been infected with lung cancers, silicosis, and other health issues. [16]. Occupational health and safety aim to prevent employees, employers, and people who visit from being exposed to hazards and getting illnesses in the workplace [10]. SMMEs are usually managed by the owner of the enterprise. These enterprises are usually posed to health risks and many other health issues with their physical work that they do daily. However, these SMMEs usually have good relations with their employees, customers, and suppliers [4]. More businesses including SMMEs are exposed to the latest and advanced technology, but these technological advances pose threats to the safety of employees. The technology that is referred to can be the equipment that enterprise employees use to manufacture their products [1].

Gauteng province has the highest number of manufacturing companies in the country. This industry has not been growing, however, it has the largest portion of the total labour force. With regards to contributing to the GDP, this sector is the second largest following the financial sector (The South African Economy and its Engine Room, Gauteng). However, these SMMEs encounter a number of challenges. South Africa is a member of BRICS (Brazil, Russia, India, China and South Africa) and G20. However, the country is the least performing with regards to countries that are on BRICS. This country is faced with many challenges such inequality, unemployment amongst many others. Moreover, this country has the second largest economy in Africa, following Nigeria. In contrary, it is said that the country needs urgent economic transformation so that the citizens can enjoy the economic freedom. SMMEs must also be at the center of this transformation as they play a very important role. They contribute over 45% to the GDP of the country. SMMEs play an important role in curbing unemployment, reducing poverty amongst citizens and solving inequality amongst its citizens [15].

1.1. Research question

Furniture manufacturing SMMEs are exposed to hazards and illnesses because they use dangerous cutting and assembly machinery and spray painting machinery. If not properly used they can harm or even go as far as causing illnesses to the ones who are using or to people who are in the same area with those who are using it. With that said, this study has the following research question. Does furniture manufacturing SMMEs that are situated in Gauteng Province, South Africa consider the health and safety of their employees?

1.2. Research objectives

- a) This study will review the health and safety in the South African perspective.
- b) To check if the studied SMMEs are complying with the Occupational Health and Safety.

1.3. Similar studies

[1], conducted an intensive research on Occupational Health and Safety on construction companies that are situated in Pakistan. They discussed that the reasons why those construction companies do not implement safety regulations in their businesses were that they lacked knowledge and awareness regarding such regulations, the lack of commitment by owners and by general employees regarding implementing Occupational Health and Safety, and not having the framework for safety regulations.

1.4. This research is structured as follows:

- a) **Introduction** to the study where a brief history of occupational health and safety will be discussed, Gauteng SMMEs and its contributions to the economy will be looked at as well and finally, the manufacturing will be introduced as well.
- b) **The literature review** will look at defining SMMEs in the South African perspective and a bit of SMEs as other countries define it, challenges faced by SMMEs in South Africa and it will further look at Occupational Health and Safety Act 85 of 1993.
- c) **Research methodology** will look at the research methods that were used, the population that was used, procedure etc.
- d) Findings and discussions will be discussed.
- e) Limitation, recommendations and conclusions.

2. Literature Review

2.1. SMMEs

There is not a uniform definition of the term SMMEs. Other countries such as United States of America, United Kingdom, Australia, China, Canada, Pakistan etc. call it SMEs meaning Small Medium Enterprises. While South Africa calls it SMMEs which means Small Medium and Micro Enterprises. Some agencies included very small enterprises in their definition. Countries define it based on their economic status. For example, United States of America defines SMEs as any business that is from 1 to 499 employees while in China they define SMEs as any enterprise with 999 employees in the manufacturing sector [6]. While on the other hand, South Africa defines SMMEs as follows: Micro are businesses that have from 1 to 5 employees, Very small have 6 to 20 employees, while Small have employees from 21 to 50 employees, while Medium enterprises have employees from 51 to 200. This makes it clear that there is no one definition of the term SMMEs or SMEs. In addition, SMMEs are also defined based on the industries they operate in, the number of people employed in the enterprise, the assets value and lastly the money they make in their business. For example, SMMEs in the catering industry is not defined the same with catering SMMEs in the manufacturing. Catering defines Medium as an enterprise with 51 to 200 employees, with a turnover of R13 Million and assets of R3 Million, Small is an enterprise that has between 21 to 50 employees with a turnover of R6 million and total assets of the value of R1 million. Very Small enterprises are defined as any enterprise with employees between 6 and 20, with a turnover of R5.10 million and a total value of assets that are worth R1.90 million while micro enterprise is referred to as any enterprise with 1 to 5 employees and a total turnover of R0.20 million and a total assets of R0.10 million. While SMMEs in the manufacturing sector are defined as follows: Medium is any enterprise with up to 200 employees, total turnover of R51 million and a total assets value of R19 million, while Small enterprise is defined as an enterprise with between 21 and 50 employees with a total turnover of R13 million and a total asset value of R5 million. Very small enterprises are enterprises that have employees between 6 and 20, with a total turnover of R5 million and R2 million of the total asset value. While Micro enterprise is defined as any enterprise with 1 to 5 employees, with a total turnover of R0.20 million and total assets of R0.10 million [14]. In addition, these SMMEs play a very vital role in the growth of the economy of the country (South Africa) and fellow developing countries. They deserve to be in the forefront of the economic participation [15]. The government of South Africa has been giving support to SMMEs, the idea is to help them flourish [8]. However, there are lots of challenges that are faced by these SMMEs. Challenges that are faced by SMMEs in South Africa will be discussed in the next paragraph.

2.2. Challenges faced by SMMEs in South Africa

Challenges experienced by SMMEs in South Africa. They lack management skills, finance and obtaining credit, access to markets and developing relationships with customers, appropriate technology, and low production capacity, recognition by large companies and government bureaucracy, support for the role that they play in the economic development [12].

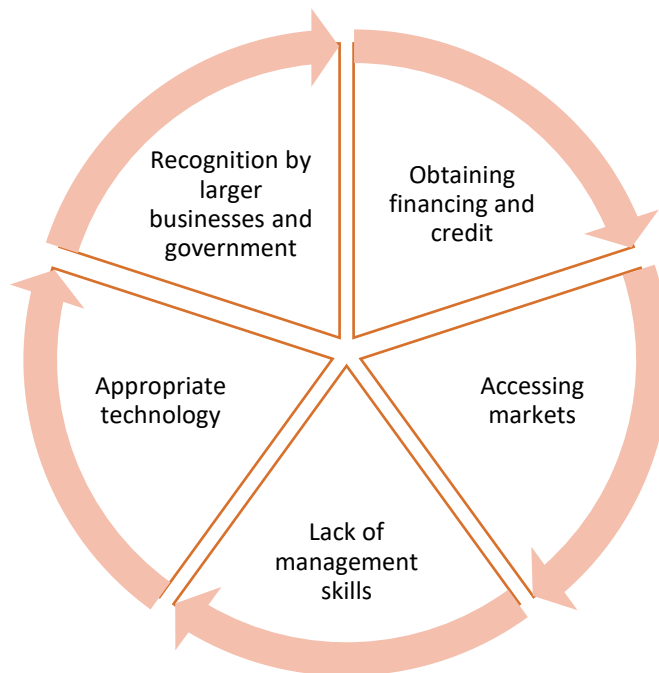


Figure 1 Challenges faced by SMMEs in South Africa

- 2.2.1. **Lack of management skills-** this refers to coordinating skills and the management of all resources used and required. This means that SMMEs do not have financial literacy skills, they cannot market their products or services and they cannot manage the operations of their enterprise. Without these skills, the enterprise will eventually fail [9].
- 2.2.2. **Appropriate technology-** having and using the latest technology at all times. This technology can help improve the performance of the enterprise and increase the production because they currently have low production capacity [5].
- 2.2.3. **Accessing markets-** getting the market that they can sell their produce to is not simple because they are not easily accessible because the markets are already familiar with big companies and making relationships with customers is a bit of a challenge because they are not known or that popular [8].
- 2.2.4. **Obtaining financing and credit-** financing is very important to the success of these SMMEs. Without it, the enterprise will not function or it will not even exist. The major reasons why they encounter this problem is that SMMEs are regarded as high risk, therefore, financial institutions find it difficult to believe in them. The second reason is that when they write proposals they make inaccurate financial projections [9].
- 2.2.5. **Recognition by larger businesses and government-** government need to give financial and non-financial support to these SMMEs so that they may flourish and continue contributing to the GDP of the country as they are currently doing. Our government has focused highly on these because they know that they if they do not do it the unemployment rate will rise. Big companies must also work and give opportunities to these SMMEs [9].

2.3. Occupational Health and Safety Act 85 of 1993

In the year 1993, South Africa introduced an occupational health and safety Act which was Act number 85. The purpose of this Act is to prevent employees from being exposed to hazards in the workplace and working at a safer workstation. The functions of this act are to identify prevalent hazards in the workplace and try to minimize them as reasonable as they can, to work with employers and assess the

reasons for accidents in the workplace, to attend to complaints forwarded by employees about their workstations pertaining their health and safety; and also presenting to employees regarding their safety and health in the workplace. The Minister of Labour has employed people to oversee and ensure that companies, employers, and employees are aware of their responsibilities; and their rights regarding the safer working environment. The leadership of this division is the chief executive officer, inspectors, Health and Safety Examiners; and the chief inspector [2]. Moreover, employers who meet the standards set by Occupational Health and Safety are awarded certificates that they can display on their walls to show all stakeholders that they comply with the safety Act of the country (South Africa) as set by the Department of Labour. Having the certificate does not mean that employers should relax and start to disobey the Occupational Health and Safety Act of 85 of 1993. Should the chief inspector realize that employees' health and safety is at risk the chief inspector can take the certificate back, and they can also go as far as shutting the business down completely or partially close down by means only close the hazardous area [2].

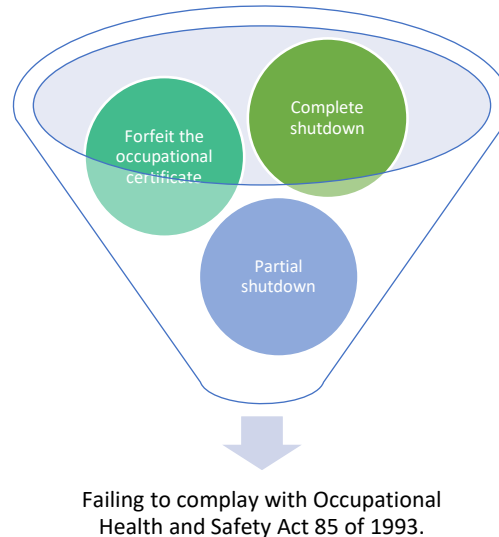


Figure 2 Failure to comply with the OHS ACT

3. Methodology

This study adopted mixed methods where quantitative features were adopted by means of filling in of the questionnaires and a case study will be written based on observations made. This strategy was used because its outcomes are always superior [7]. However, this strategy requires sufficient time and understanding and enough resources [3].

3.1. Where?

This study was conducted in South Africa, Soweto region which is a very diverse with 11 official languages and sign language. The population of Soweto is 1 271 628 which 71% of it is the working age (15-64). About 18.7% does not have any household income. Followed by 13.4% with an income between R19 601 and R38 200. Only 9.3% of the population have higher education. Lots of people across the country and the continent flock to Johannesburg with the hope of bettering their lives because there are plenty of opportunities in the region [13].

3.2. Sample

This study focused on 117 furniture manufacturing SMMEs that are situated in Johannesburg from the number of SMMEs in the country. There are currently 2 200 furniture manufacturing SMMEs that are registered with Companies Intellectual Property Commission and they have about 26 400 factory employees [11].

3.3. Procedure

Unstructured interviews and observations will be used in constructing a case study. The questionnaires will be analysed using SPSS and the reliability of the study will be checked with Cronbach Alpha for standardized items which in this study is .865 which shows that the instrument is reliable.

4. Case study

The studied furniture manufacturing SMMEs are based in Soweto, Gauteng Province. They are found in the residential areas and some are located in the business parks or industrial parks (Orlando Industrial Park and Pennyville Industrial Park).

With regards to the labour in these enterprises, the industry is male dominated. In most of these enterprises, there was only male in them, while other only had a few female representatives of less than 20% of the total labour force of these enterprises. Moreover, the female employees were not operating machinery or cutting cupboards or anything of that nature but they were carrying cupboards while some were polishing them. When asked why they do not have enough females in the enterprises they emphasized that it is a male industry. It was only one enterprise that had a female who occupied a senior position in the enterprise and she was a manager and a co-owner of the enterprise. The lady is a foreigner, she and her husband are from Zimbabwe.

While observing if they were complying with the Occupational Health and Safety Act 85 of 1993, it was shocking to see people not having proper safety working gear while they were operating very dangerous machines. They are exposed to dangers. They could lose arms anytime should mistakes occur. Some of the employees who were operating cutting machinery were not wearing safety gloves. Some of them were not even wearing face mask some were not wearing safety boots. As the author was entering some of the enterprises he was welcomed by dust made out of cutting of cupboards but without face mask being worn by anyone in the enterprise. Shockingly, even the owner was not wearing it. The dust was too much to a point that the owner had to dust off the questionnaire because it was also filled with dust made out in the enterprise. In cases where employees had the uniform, they were wearing a different uniform but while working for the same organization. This can mean that employees come with their own uniform from home and it is not offered by their enterprise. Adding on that, the uniform was not even branded with their enterprise's uniform.

The studied employees were not happy with the conditions they were working in. They stated that there is nothing they would do because they need the job. They further stated that it is difficult to get employed in this country if you are a foreigner or if you are not educated. If they raise their concerns about safety in the workplace they will lose their jobs and they emphasized that employers do not care about them or their health and safety. Their employers had an attitude of that says *"were are the bosses around here if you are not happy with the conditions you go elsewhere"*. One manager said that owners do not care because they know that these employees will do nothing because they employ illiterate people and illegal foreigners. They know for a fact that if they report it they will be returned to their countries of origin. Foreigners that were employed there were from Lesotho, Zimbabwe and some were from Mozambique. But most of the people who were from Mozambique were owners of the enterprises in the townships that are located in Freedom Park, Pimville (townships in Soweto). These Mozambique owned enterprise did not employ local people or rather South Africans. The next figure illustrates the educational background of the representatives of the enterprise that were studied.

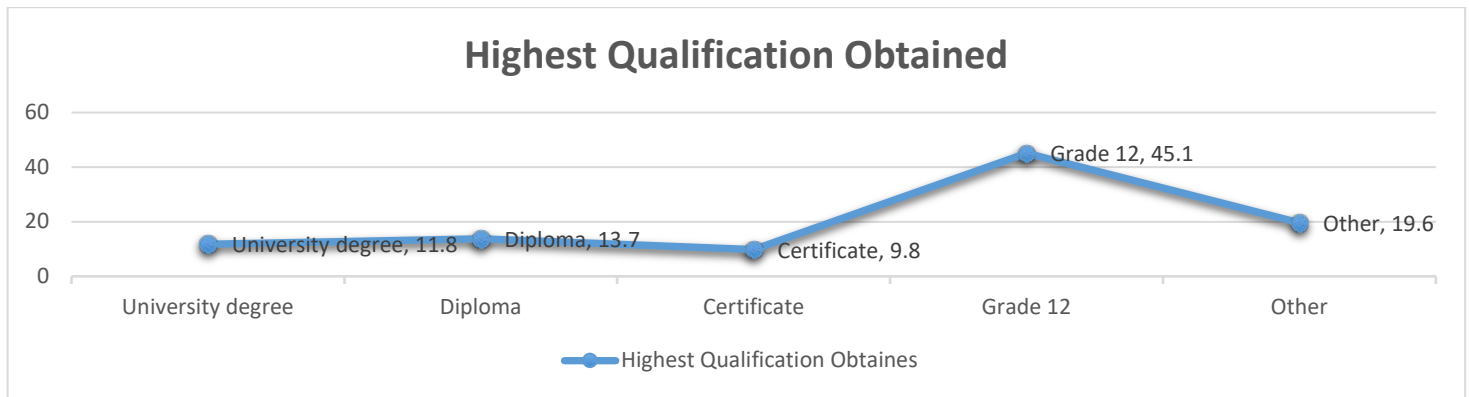


Figure 3 Highest Qualification Obtained

Only 11.8% of the owners had a university degree, while 13.7% hold a diploma and 45.1% have grade 12.

While observing the interior of the enterprise, the researcher did not see any certificate of competence provided by the chief inspector of the Occupational Health and Safety representing the Department of Labour on the walls of their premises; and there were no fire extinguishers or anything that shows that should there be fire which routes should they use. There were no evacuation routes, alarm or anything that will guarantee employees that they are safe in the enterprise.

5. Limitations and Implications

This study solely focused on furniture manufacturing SMMEs that are based in Soweto region in Gauteng province South Africa. These SMMEs manufacture household carpentry related goods and office goods. These goods are not delivered to customers place but customers come with their own transport. Generalizing findings of this study will be a bit a challenge as industries differ because every industry or sector has its own different challenges that they encounter. Moreover, this study did not have a section or questions of Occupational Health and Safety in the questionnaire. It was asked after seeing the same ignorance of Occupational Health and Safety.

6. Discussions and Recommendations

6.1. Discussions

6.1.1. Certificate of competence

The case study shows that there was no visibility of the certificate of competence in the enterprise buildings. The buildings only have the production place and no place for administration. The researcher and other people were assisted by the door of the production place.

6.1.2. Staffing

These enterprises employ vulnerable people, people who do not have proper documentation to be in the country and illiterate people because they know that they do not have a choice at all but they only want to work and earn a salary so that they support their dependents. It is against the law to employ people and not inform the department of labour about the new recruits. The employed people must get benefits such as Unemployment Insurance Fund should they lose their jobs, Compensation Fund should they get injured at the workplace, medical aid cover and much more. This in the enterprises will not be possible ever since they employ people with no South African approved documents. Furthermore, it will make South African citizens resort to xenophobic attacks.

6.1.3. Proper working gear

It is evident in the case study that the people at these furniture manufacturing SMMEs do not have the proper and safe working clothing that they wear to protect themselves from the hazards and getting illnesses from the workplace. In addition, some who had the face mask did not wear them on the face to cover the nose and mouth but they were on the forehead. There were no fire extinguishers in place, should there be fire, the enterprise will lose everything and people will be harmed.

6.2. Recommendations

6.2.1. Certificate of competence

These furniture manufacturing SMMEs must comply with the safety regulations. They must make sure that they have fire extinguishers in place should there be fire. They must abide by all the regulation. They must know their duties and those of their employees, train them, apply for the certificate of competence then plug it on their walls to show that they know and abide by the Occupational Health and Safety Act 85 of 1993.

6.2.2. Proper working gear

Failing to wear protective gear can result in employees getting illnesses and exposed to hazards. Employees must ensure that they buy a full uniform (protective gear) that their employee can use when they are working.

6.2.3. Staffing

These SMMEs must ensure that they employ locals and internationals with passports and work permits. This will also prevent unnecessary xenophobic attacks. Their staff needs to be trained about health and safety in the workplace.

6.2.4. Government intervention

The government through the department of labour must train these SMMEs about the importance of complying with the Occupational Health and Safety Act 85 of 1993. They must also visit these SMMEs and check if they are doing the right things or not. The visits should be without the knowledge of the enterprise.

7. Conclusions

It is clear that the studied furniture manufacturing SMMEs do not comply with the Occupational Health And Safety Act 85 of 1993 because in their business there were no certificates of competence as issued by the chief inspector of the Occupational Health and Safety under the Department of Labour in South Africa. Employees are exposed to lots and lots of hazards in the workplace but they continue working because they have no any other option because they are either illiterate or they are illegal foreigners. The purpose of the study was to review the OHS Act 85 of 1993 and that was done in this study and to investigate if the studied SMMEs comply with this Act. However, it should be noted that these SMMEs have limited finance and have other challenges. It is very important to employ local residents with skills and are literate so that they can read documents regarding Occupational Health and Safety. They need to employ legal foreigners who have proper documentation. Further study will look at why these SMMEs ignore to comply with the Occupational Health and Safety Act.

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Biography

Mr. Lawrance Seseni is a University of Johannesburg student. Currently doing a Masters of Technology degree in Operations Management. His master's study is on Quality Management within SMMEs. In 2014 he was appointed as an academic tutor for Entrepreneurship to National Diploma students who were doing their second year of study. In 2016 he was appointed as an assistant lecturer for first-year students for the first semester only (5 months), his role was to lecture Entrepreneurship to first year National Diploma students in Small Business Management. He is now serving as a board of director with a portfolio of co-secretary of the IBASA YC (Institution of Business Advisers South Africa Youth Charter). He is also serving as a Strategic Adviser for Projects in the student organization called ENACTU University of Johannesburg. He served at Enactus University of Johannesburg since 2012 holding different portfolios. His research interests are on Knowledge sharing in SMMEs, service and product quality within SMMEs.