

# The definition of health management essay



**ASSIGN  
BUSTER**

This assignment is actually will describe about the contradictory demand of cost reduction program and the need to invest to enhance the standard of health, safety and environment (HSE) in the industry. This assignment consist of the definition of Health, the definition of Safety, the definition of environment, Professional Organization in Malaysia, Cost Reduction, Profit, Discussion and also the Conclusion of this assignment.

## **2. 0 THE DEFINITION OF HEALTH**

Health is the level of functional or metabolic efficiency of a living being. In humans, it is the general condition of a person's mind and body, usually meaning to be free from illness, injury or pain (as in " good health" or " healthy"). The World Health Organization (WHO) defined health in its broader sense in 1946 as a state of complete physical, mental, and social well-being and not merely the absence of disease or infirmity. Systematic activities to prevent or cure health problems and promote good health in humans are undertaken by health care providers. Applications with regard to animal health are covered by the veterinary sciences. The term " healthy" is also widely used in the context of many types of non-living organizations and their impacts for the benefit of humans, such as in the sense of healthy communities, healthy cities or healthy environments. In addition to health care interventions and a person's surroundings, a number of other factors are known to influence the health status of individuals, including their background, lifestyle, and economic and social conditions, these are referred to as " determinants of health". Generally, the context in which an individual lives is of great importance for his health status and quality of life. It is increasingly recognized that health is maintained and improved not only

through the advancement and application of health science, but also through the efforts and intelligent lifestyle choices of the individual and society.

According to the World Health Organization, the main determinants of health include the social and economic environment, the physical environment, and the person's individual characteristics and behaviours.

### **3.0 THE DEFINITION OF SAFETY**

Safety is the state of being “ safe”, the condition of being protected against physical, social, spiritual, financial, political, emotional, occupational, psychological, educational or other types or consequences of failure, damage, error, accidents, harm or any other event which could be considered non-desirable. Safety can also be defined to be the control of recognized hazards to achieve an acceptable level of risk. This can take the form of being protected from the event or from exposure to something that causes health or economical losses. It can include protection of people or of possessions.

There are two slightly different meanings of safety. For example, home safety may indicate a building's ability to protect against external harm events (such as weather, home invasion, etc.), or may indicate that its internal installations (such as appliances, stairs, etc.) are safe (not dangerous or harmful) for its inhabitants. Safety is the condition of a “ steady state” of an organization or place doing what it is supposed to do. “ What it is supposed to do” is defined in terms of public codes and standards, associated architectural and engineering designs, corporate vision and mission statements, and operational plans and personnel policies. For any organization, place, or function, large or small, safety is a normative concept.

It complies with situation-specific definitions of what is expected and acceptable. Security is the process or means, physical or human, of delaying, preventing, and otherwise protecting against external or internal, defects, dangers, loss, criminals, and other individuals or actions that threaten, hinder or destroy an organization's "steady state," and deprive it of its intended purpose for being.

Safety can be limited in relation to some guarantee or a standard of insurance to the quality and unharmed function of an object or organization. It is used in order to ensure that the object or organization will do only what it is meant to do. It is important to realize that safety is relative. Eliminating all risk, if even possible, would be extremely difficult and very expensive. A safe situation is one where risks of injury or property damage are low and manageable.

## **4.0 THE DEFINITION OF ENVIRONMENT**

### **4.1 Environment system**

In science and engineering, a system is the part of the universe that is being studied, while the environment is the remainder of the universe that lies outside the boundaries of the system. It is also known as the surroundings, and in thermodynamics, as the reservoir. In some disciplines, such as information theory, information may also be exchanged. The environment is ignored in analysis of the system, except in regards to these interactions. The Environmental systems are vital to the human race and to all living organisms. Without the systems in place and working, we would all cease to exist. Rivers and streams are an example, if the system of this were to not work, then the whole system would collapse.

## **4. 2 Environmental Health**

Environmental health is a branch of public health concerned with all aspects of the natural and built environment that may affect human health. Other phrases that concern or refer to the discipline of environmental health include environmental public health and environmental health and protection. The field of environmental health differs from environmental science in that environmental health is concerned with environmental factors affecting human health whereas environmental science is concerned with the environment as it affects ecosystems. Environmental health addresses all the physical, chemical, and biological factors external to a person, and all the related factors impacting behaviours. It encompasses the assessment and control of those environmental factors that can potentially affect health. It is targeted towards preventing disease and creating health-supportive environments. This definition excludes behaviour not related to environment, as well as behaviour related to the social and cultural environment, and genetics. Environmental health is defined by the World Health Organization. Those aspects of the human health and disease that are determined by factors in the environment. It also refers to the theory and practice of assessing and controlling factors in the environment that can potentially affect health. Environmental health as used by the WHO Regional Office for Europe, includes both the direct pathological effects of chemicals, radiation and some biological agents, and the effects (often indirect) on health and well being of the broad physical, psychological, social and cultural environment, which includes housing, urban development, land use and transport.

### **4. 3 Environmental Health Profession**

Environmental health practitioners may be known as sanitarians, public health inspectors, environmental health specialists, environmental health officers or environmental health practitioners. In many European countries, physicians and veterinarians are involved in environmental health. In the United Kingdom, practitioners must have a graduate degree in environmental health and be certified and registered with the Chartered Institute of Environmental Health. In Canada, practitioners in environmental health are required to obtain an approved bachelor's degree in environmental health along with the national professional certificate – the Certificate in Public Health Inspection (Canada). Many states in the United States also require that individuals have a bachelor's degree and professional licenses in order to practice environmental health.

### **4. 4 Disciplines of Environmental Health**

Three basic disciplines generally contribute to the field of environmental health. The three disciplines of Environmental Health is environmental epidemiology, toxicology, and exposure science. Each of these disciplines contributes different information to describe problems in environmental health, but there is some overlap among them.

Environmental epidemiology studies the relationship between environmental exposures (including exposure to chemicals, radiation, microbiological agents, etc.) and human health. Observational studies, which simply observe exposures that people have already experienced, are common in environmental epidemiology because humans cannot ethically be exposed to agents that are known or suspected to cause disease. While the inability to

use experimental study designs is a limitation of environmental epidemiology, this discipline directly observes effects on human health rather than estimating effects from animal studies.

Toxicology studies how environmental exposures lead to specific health outcomes, generally in animals, as a means to understand possible health outcomes in humans. Toxicology has the advantage of being able to conduct randomized controlled trials and other experimental studies because they can use animal subjects. However there are many differences in animal and human biology, and there can be a lot of uncertainty when interpreting the results of animal studies for their implications for human health.

Exposure science studies human exposure to environmental contaminants by both identifying and quantifying exposures. Exposure science can be used to support environmental epidemiology by better describing environmental exposures that may lead to a particular health outcome, identify common exposures whose health outcomes may be better understood through a toxicology study, or can be used in a risk assessment to determine whether current levels of exposure might exceed recommended levels. Exposure science has the advantage of being able to very accurately quantify exposures to specific chemicals, but it does not generate any information about health outcomes like environmental epidemiology or toxicology.

Information from these three disciplines can be combined to conduct a risk assessment for specific chemicals or mixtures of chemicals to determine whether an exposure poses significant risk to human health.

## **5. 0 PROFESSIONAL ORGANIZATION IN MALAYSIA**

### **1. Occupational Safety and Health Agency (OSHA)**

Occupational Safety and Health Agency OSHA is comprised of a diverse team of safety and quality professionals whose expertise is focused on what the company does best. With technical expertise as diverse and complex as the sites and facilities of its clients, OSHA is strategically positioned to help the regulated community manage a wide range of technical and regulatory issues related to past, present and future operations.

OSHA is distinguished by the range and variety of professional disciplines it provides; the advanced technical expertise of OSHA staff; and professional contributions that OSHA has made to industry as well as the local community through participation in a number of projects and events that have helped to raise public awareness related to safety, and quality concerns.

OSHA has established long term-valued relationships with our clients, providing customized approaches to occupational injury and illness prevention. The OSHA organization work closely and discretely with clients to identify hazards and provide perspective on risk. OSHA can then correct deficiencies and improve performance within an existing organizational framework.

### **2. National Institute of Occupational Safety and Health (NIOSH)**

National Institute of Occupational Safety and Health (NIOSH) Malaysia is a company limited by guarantee owned by the Government of Malaysia. “ In the words of the Minister of Human Resources, Malaysia, NIOSH would be a “



critical catalyst” in the promotion of occupational safety and health that would also serve as the “ backbone” to create a “ self-regulating occupational safety and health culture” in Malaysia.” NIOSH is committed to ensure a safe and healthy working environment to all employees and others involved in or affected by its operation taking into account statutory requirement and relevant national and international standards and codes of practices.

Implementation and effectiveness of this policy is a line management responsibility together with the participation and involvement of all employees and NIOSH will ensure that adequate resources, training and time are made available.

Safety and Health management systems and programmes will be regularly reviewed to ensure continuous improvement.

Humanistic approach will be adopted by NIOSH to promote a safe and healthy work culture which employer and employees share the common responsibility of creating a better work environment for all.

This policy will be monitored to ensure achievement of our objectives and reviewed in light of legislative or organizational changes.

## **6. 0 COST REDUCTION**

Cost reduction is the process used by companies to reduce their costs and increase their profits. Depending on a company’s services or product, the strategies can vary. However, it is important to remember that every decision in the product development process affects cost. Companies

typically launch a new product without focusing too much on cost. Cost becomes more important when competition increases and price becomes a differentiator in the market. There are several types of main cost reduction strategies:-

Supplier consolidation

Component consolidation

Re-source to low cost countries

Request For Quotations

Supplier cost breakdown analysis

Function analysis / Value analysis / Value engineering

Design For Manufacture / Design For Assembly

Reverse costing

Cost driver analysis

Should cost

Product benchmarking

Design to cost

Design workshops with suppliers

Competitor benchmarking

There are right cost reduction techniques and there are wrong ones. Using the right strategies will result in a more efficient company spending. Using the wrong techniques will create a reduction of expenses required to maintain product quality and company value. It is a fine line sometimes, but a systematic approach can help managers avoid making serious mistakes in the rush to cut expenses. Cost management strategies should be utilized as components of a larger objective to maintain maximum profitability. As such, cutting expenses will be just one part of a plan that focuses also on maximizing revenue. Effective techniques will begin with the setting of goals and objectives. There can be many reasons why a company might need to cut costs.

To create additional cash reserves

To reduce price of product or service

To bring expenses in line with revenues

To eliminate unnecessary expenses or wasteful spending

To increase company value

To increase competitive advantage

To move costs between departments

Identifying the goal of the expense reduction exercise will assist with implementation of an effective plan. In other words, if you don't know why you are cutting costs, how are you going to know where to cut costs? The

purpose of expense reduction is to help the company towards long term survival. Purposes of expense reduction include:

Create cash for reinvest in research and development

Reduce manufacturing costs to stay competitive

Reduce costs as a non profit so able to serve more people

Lower costs of service in order to provide additional services

To become more efficient

To prevent employee lay-offs

To prevent reduction in employee benefits

Cost reduction techniques should also be evaluated in terms of impact on the organization. Prioritizing the goals of the cost cutting program will insure that the strategies are implemented appropriately. There are many different ways a company can institute a plan to reduce expenses.

Across the board reductions

Prioritized reductions

Departmental reductions

Reductions based on professional assessment

Cost reduction techniques can be an important strategy for another reason. They can teach a company to be economical, by forcing a regular review of

spending at every level of the organization. It can keep a company vital and streamlined.

## **The Alternate Considered Cost Reduction Ideas**

When seeking to reduce its expenditures on goods and services, the first thought in many organizations is “ Let’s find cheaper suppliers.” But in many cases, sourcing for new suppliers are either not practical or it’s a suboptimal alternative. Fortunately, there are several ideas for achieving cost reductions without switching suppliers.

**Ask & You May Receive** - Ask your suppliers if they have cost savings ideas. You never know when the answer may surprise you.

**Aggregation** - According to Patton, Aggregation is any effort that makes the buyer’s requirements more attractive to the seller by bundling those requirements with the volume of other buyers. This can be internal across business units or geographies or external with other companies. For external bundling, you can build your own consortium or join an existing group purchasing organization.

**Spec Rationalization** - Spec Rationalization involves looking at the goods and services you buy and determining smarter ways to specify them. Patton shares an example from previous employment: “ We discovered that we had between 80 and 100 different specifications across the company worldwide for water. No reasonable person in Purchasing or Engineering is gonna say that we really need that many specs for water.”

Leveraging The Supply Chain - In this technique, you're looking at suppliers' suppliers, one or two steps back in the supply chain, Patton explains.

Sometimes, the biggest cost component in the equation is really out of your own immediate supplier's direct control. Patton recommends working to identify situations where several of your suppliers buy the same material towards what they make for you and then leveraging that combined demand to drive cost reductions from lower tier suppliers.

## **7.0 PROFIT**

A financial benefit that is realized when the amount of revenue gained from a business activity exceeds the expenses, costs and taxes needed to sustain the activity. Any profit that is gained goes to the business's owners, who may or may not decide to spend it on the business. Calculated as:

Profit = Total Revenue - Total Expenses

Profit is the money a business makes after accounting for all the expenses. Regardless of whether the business is a couple of kids running a lemonade stand or a publicly traded multinational company, consistently earning profit is every company's goal.

### **7.1 Economic Profit**

In neoclassical microeconomic theory, the term profit has two related but distinct meanings. Normal profit represents the total opportunity costs of a venture to an investor, whereas economic profit is, at least in the neoclassical microeconomic theory which dominates modern economics, the difference between a firm's total revenue and all costs (including normal profit). A related concept, sometimes considered synonymous in certain

contexts, is that of economic rent. Other types of profit have been referenced, including social profit (related to externalities). It is not to be confused with profit in finance and accounting, which is equal to revenue minus only explicit costs and super profit. Profit is not synonymous with the concepts of profitability and the profit motive.

## **7. 2 Normal Profit**

Normal profit is a component of (implicit) costs and so not a component of business profit at all. It represents the opportunity cost for enterprise, since the time that the owner spends running the firm could be spent on running another firm. The enterprise component of normal profit is thus the profit that a business owner considers necessary to make running the business worth his while for example it is comparable to the next best amount the entrepreneur could earn doing another job. Particularly if enterprise is not included as a factor of production, it can also be viewed a return to capital for investors including the entrepreneur, equivalent to the return the capital owner could have expected (in a safe investment), plus compensation for risk. In other words, the cost of normal profit varies both within and across industries; it is commensurate with the riskiness associated with each type of investment, as per the risk-return spectrum. Only normal profits arise in circumstances of perfect competition when long run economic equilibrium is reached; there is no incentive for firms to either enter or leave the industry.

## **8. 0 DISCUSSION**

### **1. Cost Reduction by Design**

How to Reduce Product Cost by Design:

Practice Concurrent Engineering with early and active participation of manufacturing, purchasing, vendors, etc.

Implement Design for Manufacturability ( DFM ), Design for Lean, and Design for Quality

For dramatic cost reduction - half cost to order-of-magnitude - optimize the concept/architecture phase

To convert ideas, research or prototypes into viable products, use commercialization techniques to ensure success

Activities Supportive to Low Cost Product Development:

Co-locating Engineering with Manufacturing ensures the best teamwork; avoid distant off shoring

If outsourcing, choose local vendors which ensures early and active vendor participation in product development teams

Pre-select Vendor/Partners who will help develop products, avoid low-bidding so that vendors will help with design

Implement standardization and good product portfolio planning for the best focus

Total cost measurements to quantify all costs affected by design

Correcting Counterproductive Policies. New ventures and start-ups will be able to implement these principles right away. Established companies may have to first correct counterproductive policies, by prioritizing portfolio

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planning, scrutinizing high-overhead sales, emphasizing thorough up-front work, quantifying all costs, and avoiding time-draining attempts to reduce cost after design, going for the low-bidder, or moving production offshore. See full article on counterproductive policies.

## 2. Lean Production Cost Reduction

How to Reduce Manufacturing Cost:

Implement Lean Production

Activities Supportive to Lean Production:

Design product families for lean production

Concurrently Engineer flexible processes

Implement standardization to enable dock-to-line distribution

Rationalize products to eliminate the most unusual products with the most unusual parts and processes

Total cost measurements to quantify all costs related to manufacturing

Keep control of manufacturing in house or with vendor/partners.

## 3. Overhead Cost Reduction

How to Reduce Overhead Cost:

Implement Build-to-Order and Mass Customization to build products on-demand without forecasts or inventory

## Activities Supportive to Build-to-Order & Mass Customization:

Implement lean production

Rationalize products

Total cost measurements to quantify overhead costs

## 4. Standardization Cost Reduction

How to Reduce Cost with Standardization:

Implement Standardization with a practical procedure has been developed to standardize part and materials for new designs

Activities Supportive to Standardization:

Rationalize products to eliminate or outsource the most unusual products that have the most unusual parts and materials

Total cost measurements to justify standardization efforts and encourage picking standard parts

## 5. Product Line Rationalization Cost Reduction

How to Reduce Cost with Product Line Rationalization:

Implement Product Line Rationalization to eliminate or outsource low-profit products that have high overhead demands and are not compatible with cost reduction strategies

Activities Supportive to Product Line Rationalization:

Product Portfolio Planning focuses new product development

Total cost measurements to identify opportunities and supports rationalization decisions

## 6. Supply Chain Management Cost Reduction

How to Reduce Cost in Supply Chain Management:

Design products around standard parts to simplify Supply Chain Management

Standardize parts to focus Supply Chain Management on high-volume, easy to get parts

Rationalize away the most unusual products which have the most usual, hardest-to-get parts

Establish Vendor/Partnerships, which saves more money than low-bidding

Activities Supportive to Supply Chain Cost Reduction:

Total cost measurements to encourage and justify standardization and rationalization

Don't merge acquired products into the same plant or build others' products

## 7. Quality Cost Reduction

How to Reduce the Cost of Quality:

Eliminating quality costs starts with designing in quality

Rationalizing away unusual products raises net factory quality and avoids wasting quality resources on inherently lower quality products

Activities Supportive to Quality Cost Reduction:

Total cost measurements to quantify the Cost of Quality

8. Total Cost Measurement to Support All Cost Reduction Activities

How to Reduce Cost with Total Cost Measurements:

Implement total cost measurement with the easy-to-implement cost driver approach

Activities Supportive to Total Cost Measurements:

Until total cost can be quantified, everyone must make decisions based on total cost thinking

Senior management understands the importance of quantifying total cost, implements total cost measurements, and encourages all cost decisions to be made on basis of total cost

## **9.0 CONCLUSION**

As conclusion we can said that, the objectives of this assignment have been achieved which is to understand how to be cost effective but yet meeting the ever increasing HSE requirement. The conclusion is made due to what I have done about this assignment, describe properly about the problem required in this assignment. Cost becomes more important when competition increases and price becomes a differentiator in the market. Identifying the goal of the

expense reduction exercise will assist with implementation of an effective plan. The purpose of expense reduction is to help the company towards long term survival.

## **10. 0 REFERENCES**

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