
A hand is shown from the bottom right, holding a paper cutout of a human head profile. Inside the head cutout, several gears of different sizes and colors (yellow, orange, and light brown) are arranged, symbolizing thought, process, and risk. The background is a solid light brown color.

PSYCHOSOCIAL RISK: A PROACTIVE APPROACH

HRCOACH
people • perform • profit



Employers have a legal responsibility to protect their workers by managing hazards and risks in the workplace. This responsibility has now been specifically expanded to include psychosocial risks in the workplace as a result of new national and state/territory legislation and regulation in 2022/2023.

Current approach to psychosocial risk management in Australia

All states and territories have now included psychosocial risk management requirements in their respective OHS legislation. **Employers are now required to identify and manage psychosocial hazards and risks**, just as they would identify and manage physical hazards and risks. This requires that they:

- **Identify** any psychosocial hazards and risks;
- **Assess** all identified hazards and risks to consider their impact on workers;
- **Control** risks by eliminating and minimising them as much as possible; and
- **Review** any control measures implemented, to ensure they are effective.

So what are the psychosocial risks/hazards that now need to be managed?

Below is a list of some common examples of psychosocial hazards you should consider when identifying psychosocial hazards in your organisation. The list and the examples in the descriptions are not exhaustive. Employees are likely to be exposed to a combination of psychosocial hazards; some risks may be constantly present, while others arise sporadically.

Some hazards by themselves may cause serious harm, such as experiencing workplace violence. In most circumstances, it will be a combination of psychosocial hazards which together may cause harm. Harm can be caused by a single instance or over time with repeated or prolonged exposure.

Hazards can be grouped or described in different ways. How they are categorised is less important than ensuring you and your employees have the same understanding of what is happening and how it may be causing harm.

As you review the range of psychosocial hazards that can occur in the workplace, it becomes important to consult with or survey employees and managers to understand the specifics of your business, in terms of where the greatest risks are. Only then can you develop and implement an appropriate and prioritized action plan to demonstrate improved control of these hazards and risks.

Hazard	Descriptions
Job demands	<p>Intense or sustained high mental, physical or emotional effort required to do the job.</p> <p>Unreasonable or excessive time pressures or role overload.</p> <p>High individual reputational, legal, career, safety or financial risk if mistakes occur.</p> <p>High vigilance required, limited margin of error and inadequate systems to prevent individual error.</p> <p>Shifts/work hours that do not allow adequate time for sleep and recovery.</p> <p>Sustained low levels of physical, mental or emotional effort is required to do the job.</p> <p>Long idle periods while high workloads are present, for example where workers need to wait for equipment or other workers.</p>
Low job control	<p>Workers have little control over aspects of the work including how or when the job is done.</p> <p>Workers have limited ability to adapt the way they work to changing or new situations.</p> <p>Workers have limited ability to adopt efficiencies in their work.</p> <p>Tightly scripted or machine/computer paced work.</p> <p>Prescriptive processes which do not allow workers to apply their skills and judgement.</p> <p>Levels of autonomy not matched to workers' abilities.</p>
Poor support	<p>Tasks or jobs where workers have inadequate support including practical assistance and emotional support from managers and colleagues, or inadequate training, tools and resources for a task.</p>
Lack of role clarity	<p>Uncertainty, frequent changes, conflicting roles or ambiguous responsibilities and expectations.</p>
Poor organisational change management	<p>Insufficient consultation, consideration of new hazards or performance impacts when planning for, and implementing, change.</p> <p>Insufficient support, information or training during change.</p> <p>Not communicating key information to workers during periods of change.</p>

Hazard	Descriptions
Inadequate reward and recognition	<p>Jobs with low positive feedback or imbalances between effort and recognition.</p> <p>High level of unconstructive negative feedback from managers or customers.</p> <p>Low skills development opportunity or underused skills.</p>
Poor organisational justice	<p>Inconsistent, unfair, discriminatory or inequitable management decisions and application of policies, including poor procedural justice.</p>
Traumatic events or material	<p>Experiencing fear or extreme risks to the health or safety of themselves or others.</p> <p>Exposure to natural disasters, or seriously injured or deceased persons.</p> <p>Reading, hearing or seeing accounts of traumatic events, abuse or neglect.</p> <p>Supporting victims or investigating traumatic events, abuse or neglect.</p>
Remote or isolated work	<p>Working in locations with long travel times, or where access to help, resources or communications is difficult or limited.</p>
Poor physical environment	<p>Exposure to unpleasant or hazardous working environments.</p>
Violence and aggression	<p>Violence, or threats of violence from other workers (including workers of other businesses), customers, patients or clients (including assault).</p> <p>Aggressive behaviour such as yelling or physical intimidation.</p>
Bullying	<p>Repeated unreasonable behaviour directed towards a worker or group of workers that creates a risk to health and safety. This includes bullying by workers, clients, patients, visitors or others.</p>

Hazard	Descriptions
Harassment including sexual harassment	<p>Harassment due to personal characteristics such as age, disability, race, nationality, religion, political affiliation, sex, relationship status, family or carer responsibilities, sexual orientation, gender identity or intersex status.</p> <p>Sexual harassment - any unwelcome sexual advance, unwelcome request for sexual favours or other unwelcome conduct of a sexual nature, in circumstances where a reasonable person, having regard to all the circumstances, would anticipate the possibility that the person harassed would be offended, humiliated or intimidated.</p> <p>Harmful behaviour that does not amount to bullying (such as single instances) but creates a risk to health or safety.</p>
Conflict or poor workplace relationships and interactions	<p>Poor workplace relationships or interpersonal conflict between colleagues or from other businesses, clients or customers.</p> <p>Frequent disagreements, disparaging or rude comments, either from one person or multiple people, such as from clients or customers. A worker can be both the subject and the source of this behaviour.</p> <p>Inappropriately excluding a worker from work-related activities.</p>

(Ref: Safe Work Australia; Managing psychosocial hazards at work Code of Practice; pp 16-18) July 2022)



Strategies for Immediate Implementation

At first glance this list of potential psychosocial hazards can seem overwhelming.

There are some simple and immediate strategies every business could implement to start to demonstrate a proactive approach in responding to the new legislation. These could include:

- Educate managers, supervisors and employees on the range of psychosocial hazards that could exist in their workplace;
- Implement an appropriate OHS policy specifically addressing psychosocial risk management;
- Consult with managers, supervisors and employees on psychosocial hazards that they have identified, complete risk assessments and record, prioritise and implement risk minimisation actions;
- Use anonymous surveys on at least an annual basis to assess improvements, alignment and employee satisfaction and identify any new hazards or risks;
- Observe work and behaviours and identify psychosocial hazards as they arise;
- Review data and records, including: workers compensation claims; employee complaints and investigations; excessive work hours; excessive accrued annual leave; absenteeism, employee resignation rates and exit interviews;
- Implement an appropriate Employee Assistance Programme and support and monitor EAP utilisation;
- Ensure all employees are trained and supported in their role and duties confirmed by their authorised Position Description(PD); and
- Ensure all managers are trained and complete appropriate and timely performance coaching of all team members.

HR Coach network members have been working with Australasian businesses for nearly 20 years to improve the management of these (new hazard) items (and another 125 measures) through pragmatic, anonymous assessments and reporting which has allowed business owners and their employees to build and implement plans to resolve these items.

We have been doing this to improve the profitability and sustainability of SME businesses. Ensuring employees are aligned with business strategy just makes good business sense. This alignment leads to extremely high business performance, improved leadership and management performance by managers, and, ultimately improved employee satisfaction and personal performance and ownership. Ie. Good alignment of people activity with business strategy actually reduces psychosocial risks, particularly when partnered with consultation and plan development.

Anecdotal evidence also provides employers confidence that employee dissatisfaction items which are both identified and resolved in a consultative and constructive manner, lead to a significant reduction in mental health claims.

How to Meet or Exceed Psychosocial Risk Management Requirements

Key Requirements	Solutions that work
Implement Psychosocial Risk Management Policy and educate all managers and employees on hazard identification and control	HR Coach's have a policy that can be amended to suit your own business circumstances. Include psychosocial hazards and risk control in your OHS system, or ask your HR Coach to recommend a system appropriate to your business.
Implement an annual anonymous survey to identify business performance on psychosocial hazards and develop and implement appropriate strategies in consultation with all employees	Speak to your HR Coach re implementing an annual STAR Workplace Assessment (www.starworkplace.com.au) and develop and implement annual action plans to improve business alignment and performance and reduce psychosocial hazards.
Observe work and behaviours and identify psychosocial hazards as they arise	Build a checklist for psychosocial hazards (or speak to your HR Coach) and ensure assessments are completed and submitted from regular observations
Review business data and records to help identify potential psychosocial hazards	Review: workers comp claims; timesheets; annual leave; pay summaries; exit interviews; employee resignation rates.
Implement and promote Employee Assistance Programme	Implement an appropriate and independent Employee Assistance Programme and support and monitor utilisation
Ensure all employees and managers have a current and agreed Performance Description(PD) for their role/job	Implement standardised PD for every job/role, including: authority levels; skills and experience; reporting structure; and support
Ensure all employees and managers are trained and supported for their role/job	Implement annual training and development for all employees for current and potential role/job
Ensure performance coaching for all managers and employees	Implement standardised performance coaching for all managers and employees, including assessing organisational capability.

HR Coach Australasia consists of an Independent Member Network delivering human resource and strategic alignment solutions to businesses.



HR Coaches work with businesses to establish and maintain the link between People and Business Strategy to improve performance and profitability. HR Coach has researched the Australasian small to medium business sector for the last 20 years and Coaches use this research, patented tools and methodologies to deliver solutions for businesses that are practical, timely and effective, every time.

Like what you have read? Why not check out some of our other research papers:



Satisfaction Doesn't Mean Profit

Examined the use of Employee Satisfaction as a metric for business performance.



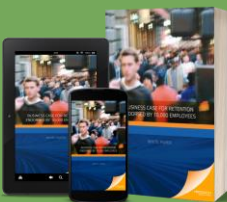
Different Generations Same Expectations

Analysed the differences and similarities between the generations in the workforce to find focus areas for all businesses.



Unlocking the Code for High Performing Businesses

Identified what separates high performing businesses from their low flying competitors.



The Business Case for Retention

Focuses on the value added by focusing on retention vs recruitment.

For more information, get in touch:

1300 550 674

hrcoach.com.au