

This issue:

- ▶ 10 tips for risk management program success
- ▶ Preparing for the national OHS Act
- ▶ Implementing the new international Risk Management Standard
- ▶ Making an argument for appropriate safety funding in your organisation
- ▶ QRMC's debut into social media

## 10 tips for your Risk Management Program to achieve results

- 1. Get the context right**  
Have you defined the applicable business objectives?  
Are you examining corporate, or operational level risks?
- 2. Focus on business objectives**  
What is the impact of risks and opportunities on the business objectives - if it doesn't affect the business objectives, is it a risk?
- 3. Get the risk statement right**  
Make sure risks are tightly defined without mixing up causes and symptoms - if it's woolly and badly stated it will be hard to effectively manage
- 4. Customise consequence and likelihood**  
Ensure the consequence and likelihood options are focused on the business objectives - if the consequence and likelihood tables don't reflect your business, you can't accurately measure the impact of the risk
- 5. Implement and check**  
Plan for implementation and monitoring activities, not just risk identification - risk management doesn't end with the production of a Risk Register!
- 6. Truthfully assess current treatments**  
Accurately evaluate the effectiveness of current treatments and mitigation strategies - if it's not really working, admit it and devise something better
- 7. Actually do something**  
Strongly emphasise the actual treatment of risks and document treatment plans properly - identify who will do what and when
- 8. Follow up new treatments**  
Monitor the implementation and effectiveness of new treatments - identify and check performance measures within the planned timeframe
- 9. Monitoring and reporting**  
Make sure the monitoring process actually reviews the implementation and effectiveness of the program - just generating regular reports is not enough
- 10. Communication and consultation**  
Communication and consultation must underlie the whole process - the program can't provide full value to the organisation unless personnel from 'coalface' workers all the way up to the Board understand and are committed to the risk management process



## National OHS Act update, and how you can prepare

In 2008 the Council of Australian Governments (COAG) agreed to harmonise Occupational Health and Safety legislation across Australia. After negotiations between representatives from the various jurisdictions a model bill, the Safe Work Bill, was released for public comment in 2009. Model OHS regulations are being negotiated and developed at present, and will be released for public comment no later than November 2010 and possibly as early as mid-year.

For better or worse, the process of gaining agreement from all jurisdictions on the content of the model laws has resulted in the removal of some existing statutory

requirements, and the addition of others. Some of the critical changes are described below.

### Key areas which will be different from existing Queensland legislation

- 1. No reverse onus of proof**  
It will no longer be the duty holder's obligation to prove that there was no breach, rather the onus will be on the regulator to prove that there was a breach
- 2. Timeframes for prosecutions**  
The regulator will be able to commence prosecution within 2 years of becoming aware of an offence

(rather than 1 year as in existing Queensland legislation) or within 1 year of a coronial or official enquiry (rather than 6 months)

3. **Principal contractor**  
There will no longer be specific provisions related to principal contractors, but rather a duty for persons with "management control of a workplace"
4. **No Workplace Health and Safety Officers (WHSO)**  
There will no longer be a statutory requirement for WHSOs, and also no statutory obligation on employers to take OHS advice
5. **Corporate officers**  
The Bill requires corporate officers to exercise "due diligence", which is less stringent than the Queensland legislation's current requirement that corporate officers must comply with the WHS Act
6. **Exclusions**  
Workers employed by homeowners to do domestic work, strata title residential body corporates, and associations where no person is employed or considered to be conducting a business, are not covered by the Bill

### **Other issues of note for Queensland employers**

In addition to the above key differences, there are new features of the model laws which will employers used to operating under existing Queensland legislation will need to adopt:

1. **Definition of 'worker'**  
There will be a broader definition of worker which will include contractors
2. **Broader duties for workers**  
Workers will be obliged to exercise 'reasonable care' that their acts or omissions don't adversely affect the health and safety of others
3. **Right to cease work**  
Workers will have the right to cease work if they believe they are being exposed to serious risk, but only after consultation with employers
4. **Health and Safety Representatives (HSR)**  
HSRs will be able to direct workers to cease work if there is immediate or imminent hazard, after consultation with employers or without consultation under some circumstances
5. **Increased penalties**  
Penalties will be substantially increased (e.g. up to \$6M for corporations or \$600K for individuals), and the most serious offences will be treated as criminal matters in mainstream courts
6. **Consultation**  
There will be more detailed provisions for consultation requirements
7. **Issue resolution**

There will also be more detailed provisions for issue resolution, although employers will be able to either agree on their own procedure or use the one outlined in the legislation

### **Getting ready in time**

Public comment has closed on the Safe Work Bill. Model regulations are currently being negotiated and developed and will be released for public comment no later than November 2010, and signed off in June 2011. The new Act and Regulations must be implemented in all Australian jurisdictions by 1 January 2012.

For all employers, this means that by 31 December 2011, safety management systems and procedures need to be compliant with the new requirements. It is time to start reviewing your systems now and making revisions where necessary.

You might need to consider:

#### *Revision of documentation, for example*

- Documented consultation and issue resolution procedures will need to change
- Safety responsibilities in position descriptions will need to reflect new obligations
- Procedures for document control will need to reflect the increased timeframe over which an employer may need to defend a prosecution
- Definitions and terminology in organisational documents will need to be made consistent with the Act

#### *Training, for example*

- With the removal of WHSOs and the increased powers of HSRs, employers might consider developing and implementing a training regime for their HSRs
- Workers will need to be made aware of their new responsibilities and obligations
- Corporate officers will need to know how their obligations under the new Act differ from what they have been used to
- New procedures and documentation will need to be implemented, and understood by everyone in the organisation

All organisations will have different needs in responding to these legislative changes. It is advisable to review the issues earlier rather than later, to identify the impacts on your particular situation, and allow the time to plan and budget for the necessary activities. [QRMC](#) would be pleased to discuss how you can prepare your organisation.

### **Keeping up to date**

WHSQ reports on the progress of the model OHS laws in their newsletter eSAFE. You can subscribe and download previous editions [here](#).

You can also call the WHSQ infoline for further information on 1300 369 915.

# Upgrading to the new ISO31000 Risk Management standard

The International Standard ISO 31000 Risk Management - Principles and Guidelines was released in November 2009 and superseded AS/NZS 4360:2004 Risk Management.

Critical changes in emphasis or requirements which need to be taken into account by organisations updating their risk management programs include:

## Redesign of the Risk Management Framework concept

The new risk management framework design emphasises the integration of risk management throughout the organisation at all levels, including reporting risk information from all levels to inform decision-making and accountability within the organisation, and embedding risk management into other management activities and systems.

## More focus on establishing the context

The new standard pays more attention to the process of establishing the context of the risk management exercise, including external context (e.g. legal and regulatory requirements, stakeholder perceptions), internal context (e.g. organisational culture, processes, structure and strategy), risk management process context (that is, establishing the objectives, strategies, scope and parameters of the activities of those parts of the organisation where risk management is being applied) and risk criteria definition (defining the criteria to be used to evaluate the significance of the risk).

## Greater emphasis on risk treatment plans

The requirements for a risk treatment plan as detailed in AS4360 are also included in ISO 31000, however the ISO

31000 is more detailed and prescriptive regarding what is to be included, and the reasons for selecting and expected benefits of treatments are now required. Risk treatment plans should now document:

- the reasons for selection of treatment options, including expected benefits to be gained
- those who are accountable for approving the plan and those responsible for implementing the plan
- proposed actions
- resource requirements including contingencies
- performance measures and constraints
- reporting and monitoring requirements
- timing and schedule

## A project management perspective

The ISO 31000 views the risk management process from the perspective of good project management.

Organisations should treat the development and implementation of the Risk Management Program like any other complex project, and manage it appropriately:

- good planning and appropriate linkages to other management systems within the organisation
- a proper monitoring and review process
- appropriate and effective reporting, not reporting for reporting's sake
- appropriate record-keeping (for continuous improvement, regulatory requirements, to avoid 're-inventing the wheel', to facilitate access, to track costs etc)

Please contact [QRMC](#) if you would like to discuss how to update your systems.

## Arguing the case for appropriate safety funding

It can be difficult at times for safety professionals to convince their executive management to fund safety initiatives, as occupational health and safety is one of many areas competing for limited resources in any organisation.



Safety professionals need to be adept at making convincing arguments and presenting a legitimate business case for their proposals.

Safework Australia has produced a guide which provides hints and suggestions to assist. Download a copy [here](#).

## QRMC debuts on Facebook and Twitter

You can now follow QRMC on Twitter and Facebook. QRMC is using its tweets and posts to alert its readers to news and developments in risk management,

occupational health and safety, business continuity and related areas.

Visit our Twitter site [here](#) and our Facebook page [here](#).

GPO Box 199, Brisbane Qld 4001  
Phone + 61 7 3229 1744 Fax + 61 7 3229 1844 Email [enquiries@qrmc.com.au](mailto:enquiries@qrmc.com.au)  
QRMC Risk Management Pty Ltd ABN 43 119 425 991

[www.qrmc.com.au](http://www.qrmc.com.au)



The material contained in this publication is in the nature of general comment only and neither purports, nor is intended, to be advice on any particular matter. No reader should act on the basis of any matter contained in this publication without considering and, if necessary, taking appropriate professional advice regarding their own particular circumstances.

QRMC Risk Management Pty Ltd © 2010