

Insight aims to provide useful information, links and tips in the areas of Risk Management, Work Health and Safety, Business Continuity Management, and other areas relating to management systems and corporate governance.

Reflections on the Managing Psychosocial Hazards at Work Code of Practice (Part 2)

In [Part 1](#) of this series on the impact of the [Managing the Risk of Psychosocial Hazards at Work Code of Practice](#), we looked at the changes that have been brought into effect and the impact to organisations. From the large volume of industry forums, webinars and articles published, it is fair to say that the level of understanding in relation to psychosocial risk management is still a work in progress. In this article, we take a deeper dive into the Code and recognise that there is a wealth of guidance information available to assist organisations in identifying psychosocial hazards at work.

When it comes to identifying the many types of psychosocial hazard that can impact people at work, it can seem an obvious statement but it's important to remember that everybody is different, is impacted differently, and responds differently to stressors and changes, both at work and outside of work. The Code talks about psychological health being a "continuum" where individuals move back and forth from "healthy to reacting to struggling to injury".

To assist, the Code offers a number of ways to identify psychosocial hazards which can arise from organisation-wide systems, work practices, work environments and workplace behaviours, or relating to a specific task or job. Importantly, when identifying psychosocial hazards, workers and Health and Safety Representatives (HSRs) must be consulted. The identification process includes:

- **Observing the workplace** for factors including:
 - how work is performed,
 - the environment in which the work is conducted,
 - how people interact with each other,
 - understanding the mental demands of the work tasks and the time allocated (and taken) to complete these,
 - understanding what behaviours are tolerated (and not tolerated),
 - working hours,



- high levels of exposure to traumatic situations,
- low work group diversity,
- whether there are exposures to interactions with members of the public, and
- shift work or working in isolation.
- **Consulting with workers** to understand how they feel, for example whether they are:
 - stressed or emotionally exhausted by the workload,
 - anxious about aggressive or abusive customers,
 - wary of the risk of workplace bullying and harassment,
 - angry about organisational policies and their consistent application,
 - confused about their role, or
 - feeling distressed from exposure to a traumatic event (at work or at home).
- **Collecting and analysing information** to identify common themes and trends such as those from:
 - incident and injury data,
 - complaints and grievances,
 - leave records,
 - absenteeism,
 - overtime,
 - workers' compensation claims,
 - Employee Assistance Program usage,
 - worker engagement surveys,
 - staff turnover and exit interviews, and
 - local area crime statistics to understand the risk of violence in the local community.

Further guidance is provided in [Appendix 3](#) of the *Managing the Risk of Psychosocial Hazards at Work*

Code of Practice, which includes detailed assistance for the identification of situations and circumstances that may increase the risk to worker psychosocial health.

Once psychosocial hazards have been identified, PCBUs should then assess the level of risk of the identified hazards (using their risk management framework). This can be undertaken collectively across the organisation or at a team-by-team level, or considering a general 'mental health and wellbeing' impact, or focusing on a specific hazard/risk (such as being subjected to aggressive or abusive customers). The risk assessment, when considering the causal factors and the current controls, will help in determining what reasonably practicable control measures should be implemented.

In Part 3 of this series, we will look at the detailed guidance that the Code offers for a vast array of psychosocial risk controls (not just relying on an Employee Assistance Program).

Please [contact QRMC](#) for more information.

Relationships Matter

Whether it is one of the many integrated software solutions or a more fundamental spreadsheet type version, your organisation has a critical relationship with its Risk Register(s).

From its early relationship beginnings, including nervous or reluctant interactions with new operators, through to the more mature and forward-thinking discussions about opportunities just peaking over the horizon, each organisation is on a unique journey with their Risk Register. This article steps through the stages of this relationship lifecycle, offering some advice on how to get the most out of the relationship.



In the early tentative stages of the organisation's use of a Risk Register, the register itself tends to focus on immediate, obvious threats, and as a result, the risk-related thought processes are more-straight forward (based on a direct "cause and effect" calculation). Caution tends to dominate, with stakeholders assessing risks conservatively, typically resulting in a number of 'high' risks that may not in reality be high. The understanding around the process, and the 'so-what' consequence, often has to be affirmed with the stakeholders to avoid confusion and a skewed risk assessment focus.

These early days in the relationship have to be worked through: both in terms of the register process as it helps define key risk fields, responsibilities, the risk appetite and reporting / monitoring structures; and the personnel involved, as their knowledge and understanding grows exponentially through this process. The key here is to acknowledge that time is required, and rushing through it may have a detrimental impact. Further, the evaluation of risk is an ever-evolving process, and as experience is gained, so too is a more accurate picture of the actual organisational risk.

As things develop within the organisation, there are typically some departments/sections that can see the benefits of the Risk Register and become early adopters. These early adopters are quite useful in leading the maturing of the risk register and related processes. As this maturity grows, so too does a common risk language and understanding. Processes become standardised, and risk assessments become less cautious; potentially with the realisation that, now that we have studied the likelihood or considered the probability, some of those 'high' risks may actually be more like a 'medium' risk.

The challenge now lies in taking the next steps toward having the relationship hit its prime. With documentation and responsibilities becoming engrained, there is a real risk that the relationship will plateau or stagnate, as the same material is reviewed on a quarterly or monthly basis, with only adjustments to some of the micro-details. In stepping out of the weeds and ensuring the risk register is dynamic, there is benefit in searching for any unidentified risk exposures that can be used as a catalyst point for changing the organisation's thinking. While all the obvious risk exposures have been captured on the risk register and assessed diligently every month, there are often other risks that have potential negative (or positive!) impacts that have been missed or glossed over. It is at this point of contextual learning that the organisation

may have its 'ah-ha' moment, and this becomes the catalyst for growth and change – and the moment when all Managers around the table can see the benefit of the risk register and what it should do.

Once the organisation has hit this point, with the internal stakeholders really starting to think about risk, the register and the relationship become interwoven, part of strategic decision-making. At full maturity, the register transforms into a strategic tool. Risks are evaluated against defined tolerance thresholds, tracked with performance indicators and metrics, and reported up to the executive

leadership team and the board with confidence and a full understanding. The register becomes an aid in seeing the red flags in a timely fashion as the organisation manages its risks, avoids the threats and capitalises on opportunities.

The effectiveness and net benefit of a risk register is dependent upon the relationship between the register and its stakeholders, and the knowledge and understanding that those human stakeholders have identifying, assessing and treating the organisation's risks.

Please [contact QRMC](#) for more information.

QRMC Risk Management Pty Ltd © 2026

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.