



WHAT IS PSYCHOSOCIAL RISK & WHY DOES IT MATTER?

Australian employers have obligations by law to identify and manage psychosocial hazards and overall psychosocial risk within the workplace. To better understand these obligations, we first need to understand what psychosocial hazards are, why it's essential to identify them and how they can be managed.



WHAT ARE PSYCHOSOCIAL HAZARDS AND PSYCHOSOCIAL RISKS AND HOW DO THEY DIFFER FROM BROADER PSYCHOLOGICAL HEALTH CONCEPTS?

Psychosocial Hazards are aspects of work which have the potential to cause psychological or physical harm. Psychosocial hazards can occur in combination with one another and influence or be influenced by other hazards.

Psychosocial Risks is the combination of the likelihood of occurrence of exposure to work-related hazard(s) of a psychological nature and the severity of injury and ill health that can be caused by these hazards.

Psychological Health is the complex interaction of one's mental, emotional, social, and spiritual dimensions of health.

Psychological Harm is impairment or injury to one's psychological state.

Psychological Health and Safety is the promotion and support of psychological well-being and active prevention of harm in the workplace.

Psychological Safety is the shared belief that members of the team are safe to take interpersonal risks, express their ideas or concerns without fear of reprisal.

By identifying psychosocial hazards and managing psychosocial risks, workplaces can help positively influence worker's psychological health and wellbeing and prevent harm. Psychological safety is the enabler that facilitates a transparent culture where hazards and risk can be accurately identified.



WHAT ARE EXAMPLES OF PSYCHOSOCIAL HAZARDS?

- High Job Demands
- Low Job Demands
- Low Job Control
- Poor Workplace Relationships
- Poor Support
- Poor Change Management
- Lack of Role Clarity
- Poor Organisational Justice
- Low reward and recognition
- Poor environmental conditions
- Remote and Isolated Work
- Violent or Traumatic Events
- Bullying/Harassment
- Workplace Violence/Aggression



WHY IS IT IMPORTANT TO MANAGE PSYCHOSOCIAL RISKS?

Workplace's should be environments where employees feel safe, both physically AND psychologically.

Ensuring adequate identification, assessment and mitigation of psychosocial risks contributes to:

- Greater employee engagement
- Increased productivity
- Innovation
- Employee retention and sustainability

Failure to manage psychosocial risk in the workplace can contribute to:

- Lower productivity
- Increased absenteeism
- Work-related psychological injuries and illnesses
- Issues with retention and recruitment
- Regulatory investigations and compensation claims.

WHY IS A RENEWED FOCUS NEEDED?

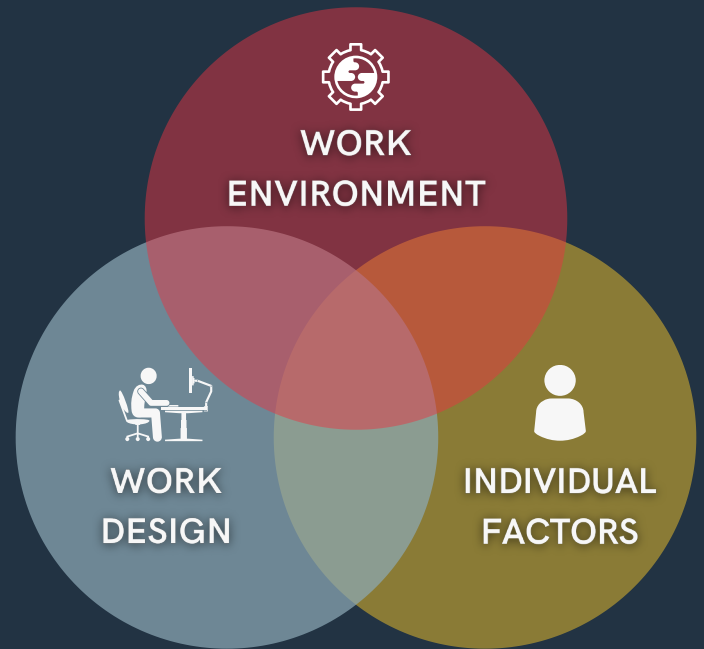
Employers are investing more in wellbeing incentives now than ever before.

Currently, 90% of employers offer wellbeing incentives for their staff, compared to only 57% in 2008.

The average spend on wellbeing initiatives has also increased from \$260 in 2015 to \$525 spent per employee.

Despite the increase in both attention and investment in psychological health and wellbeing, the rate of psychological injury has not decreased. In fact, it's significantly increased.

Psychological injuries are more **costly** and **time-consuming** than physical injuries.



Improving workplace mental health is influenced by controlling and managing psychosocial hazards within the work environment and work design domains, as well as simultaneously continuing efforts in addressing individual risk factors.

- **Work environment** – the environment and norms, how people operate within the work systems, workplace culture, interpersonal relationships, reward and recognition, bullying, harassment, violence, civility and respect.
- **Work Design** – how work is organised and done, job design, workload and pace, roles and expectations, job demands, change management, remote or isolated work, work scheduling.
- **Individual Factors**- the skills and resources of individuals, mental health literacy, level of resilience, pre-existing or pre-disposition to mental health conditions, age, personality type, help seeking behaviour, personal support systems.



PHYSICAL INJURY

Time Off Work
5.3 weeks

Average Cost
\$8, 700

PSYCHOLOGICAL INJURY

Time Off Work
14.8 weeks

Average Cost
\$23, 600



Understanding the psychosocial hazards and overall risk in your workplace is necessary to focus efforts and investment in the right areas.

An effective psychological health and wellbeing strategy should address the psychosocial hazards within your workplace and encompass a multi-layered approach to interventions.

