PREVENTION, NOT CURE:
EFFECTIVE PSYCHOSOCIAL RISK MANAGEMENT

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TODAY’S QUESTIONS…..

1. **WHY is mental health on the radar?:** Mental health micro- and macro-“economics” and concerns, psych injury trends, current emphasis (wellbeing)

2. **WHAT causes poor mental health in employees?:** An integrated, psychosocial risk factors (hazards) perspective, problematic risk management approaches

3. **PRINCIPLES & MODELS:** Mental health impacts, psychological stress processes, resources / demands, adaptation / maladaptation, symptoms and signs

4. **HOW common is & HOW does psychosocial risk exposure affect workers?:** Work-related hazard exposure levels and hazard exposure consequences

5. **SO WHAT?** What does it mean for workers, WHS professionals, PCBU’s / Officers - case examples, business & other implications

6. **WHAT NEXT?** Prevention over cure – hazard identification, top tips for WHS, workers, and Officers to effectively manage psychosocial risks
Why is mental health on the radar?

Mental health micro- and macro- “economics” and concerns, psych injury trends, current emphasis (wellbeing)
Global Burden of Disease by YLD (Depression [lead contributor] & Anxiety):

$AU1.46 trillion pa

Majority of adults employed, majority of non-sleeping / personal care time at work:

Role of workplace in GBD?

Collective wellbeing cost:

$211 billion pa, 12% of GDP (FH-Index, 2017)

Strategy 2012-22: mental health key priority area; prevalence, impacted workers, known prevention options; 30% ↓ in serious injuries (5+ days LTI)
WHY ON THE RADAR - ECONOMICS

- **Multi-stakeholder impacts**: employees, employers, clients / consumers / customers, shareholders, insurers (PI, WC, DL, Super / Life), government (e.g., health & productivity costs), community....

- **Insurance concerns**
  - Poor mental health ‘**elephant in the room**’ in PI claims; complaints data as well
  - Insurers ‘eyes wide shut’ over attitude of “**insurance as risk management plan**”
    - However - Push-back on claimants; Peetz - Causal Connection Test too extreme
    - Beyond claims made / experience rating increases (*flawed, number; not costs*?), there is potential to increase premiums / refuse insurance for high-risk populations
  - **TPD claims**: Self-selecting out of workforce then claiming TPD via life insurance / income protection schemes; no need to pass Casual Connection Test
    - $1.5 billion loss over 4 years
  - Rapidly approaching issue: **Insurance covering breaches, not just litigation costs**.
FAST FACTS

- Certain industries / professions considered at-risk of psychological injury claims (e.g., Legal, mining (FIFO), emergency services, professional services, medical)

- Top psych injury causal mechanisms (circa 4x’s any other causes): 66% of claims
  1. Bullying and harassment
  2. Overwork/work pressure

- Psych injuries
  - longest time off (median 16 weeks; next is 12.6 for nerve / spinal cord damage)
  - highest comp payout
  - More than 2 x’s as expensive (median $345K; next is $166K for biological factors)
  - Only 13% of all claims, but 37% of all claim costs

- Psych injuries (mental disorders; ‘disease’) the only condition to show no improvement (0%) in serious claims data 2000-01 and 2014-15; mean decreases of 17 and 15% for injuries and diseases, respectively); despite two tightenings of Casual Connection Test

- Psych injury deaths (suicides; self-harm) not included in Worker Comp fatality stats

- Incidence of these claims can also cause considerable disruption to other staff and to the operations of the work group / firm (“the ripple effect”)
CURRENT EMPHASIS - WELLBEING

“Wellbeing” concerns have lead to range of initiatives, programs, research...

- **Positives**: Active efforts to address issues, some committed change agents
- **HOWEVER**: Focussed on the individual employee “as the problem” (stress management, mindfulness, resilience), e.g., recent Bradley case (PWC)
- **PROBLEM**: at best these initiatives are “Rescue management”: Tier 2 – ‘after the fact’; cookie jar tactics are a partial answer at best, to the wrong question
- Organisational **causes and interventions** largely ignored
- Plethora of additional, more effective (**preventative**) interventions under-utilised
- Need for a **more comprehensive** approach to solving the jigsaw puzzle
“Er.... Houston, we have a problem......”
WHAT causes poor mental health in employees?
An integrated, psychosocial risk factors (hazards) perspective, problematic risk management approaches
Stand up if your firm has risk management strategies for....?
3 Categories of hazard (refer handout).
PSYCHOSOCIAL RISK / HAZARD CATEGORIES

(Where)

(What)

(Whom)
TIERED RISK MANAGEMENT (ALT TO HOC)

Primary Prevention
- Aims to **identify and remove / reduce risks** prior to them leading to symptoms / problems

Secondary Intervention
- “**Rescue management**”; early intervention applied as soon as issue identified to attempt to minimise negative consequences & avert any catastrophe that a failure to act might lead to

Tertiary Intervention
- “**Clean up the mess**”; Aimed at ending or resolving the problem situation & effectively dealing with (i.e. fully resolving) its negative effects
“Wahoo – this thing has got airbags!!!!”
Let's talk models ....

& principles ....
Can you identify stress?

3 signs of symptoms each.
Let's talk models ....
& principles ....

RESOURCES
VS
DEMANDS
Experience of stress

Stress is an inevitable part of life and a certain level of stress is required to motivate people to meet their daily living needs. The experience will vary depending on the balance between an individual’s perception of the demands placed upon them, and the resources they have to cope with those demands.

If individuals do not have sufficient resources to manage the demands, they will have the unfavourable experience of feeling distressed, commonly referred to as stress. The experience of minimal demands can lead to boredom and a person feeling unproductive, ineffective or worthless, which can cause stress. Individuals may also identify an elevated level of stress as assisting them to achieve peak performance. This is referred to as eustress, and can provide additional energy and sense of fulfilment.

Mind your language – erroneously positions individual stress perceptions as “the problem”, and individual perceptions and resources as where we should “start” the risk mngt process.
Let's talk models .......
& principles ....

RESOURCES
vs DEMANOS

TRANSACTIONAL
STRESS
THEORY ......
Let's talk models....
& principles....

RESOURCES
VS DEMANOS

TRANSACTIONAL STRESS THEORY....

G.A.S.
(not that kind of gas....)
Personal example:
- Eustress?
- Distress?
HOW common is & HOW does psychosocial risk exposure affect workers
Work-related hazard exposure levels and hazard exposure consequences
PSYCHOSOCIAL HAZARD EXPOSURE LEVELS

- Levels of exposure to five different poor interpersonal behaviour (work environment) hazards suggests hazard exposures are culturally pervasive:
  - incivility (74 – 93%), tends to have a cumulative effect;
  - interpersonal deviance (58 – 67%);
  - mistreatment (94%);
  - Bullying 5 – 18.3% depending on the type of bullying experienced; bullying via destabilisation behaviour most common (national definition adopted)

- About half (47.2 – 59.1%) all respondents were exposed to some form of sexual harassment risk; the most common type being gender-harassment #MeToo

- The majority (87.5 – 89.8%) of mistreated employees do not report their experiences, suggesting organisational ‘cultures of silence’ are widespread
PSYCHOSOCIAL HAZARD EXPOSURE REPORTING

*Physical hazards approach*

**SAM**
- Spot the hazard
- Assess the risk
- Make the changes
Psychosocial hazards?
Organisation (proudly): “We don’t have any issues, we haven’t had a single bullying complaint in the last 12 months…..”
HAZARD EXPOSURE IMPACTS

Hazard exposure significantly negatively affects attitudes, wellbeing / mental health (GHQ-12), & job performance

- Emotional Wellbeing
- Psychological Wellbeing
- Psychosomatic Health Wellbeing
- Organisational Commitment
- Job Satisfaction (extrinsic, intrinsic, overall)
- Organisational Citizenship Behaviour
- Physical Health Symptoms
- Substance Use / Abuse
- Anxiety and Depression
- Social Dysfunction
- Loss of Confidence
- High-level Absenteeism (10+ days)
HAZARD EXPOSURE IMPACTS

Coping DID NOT reduce (mediate) adverse direct effect on employee psychological and psychosomatic health wellbeing

“The damage is already done”

Step away from the Mindfulness & Resilience Cookie Jar
RETALIATION ("DEVIANE")

- Over 70% of mistreated employees engaged in some form of retaliatory behaviour
“And how does the story end?”
SO WHAT?

What does it mean for workers, WHS professionals, PCBU’s / Officers - case examples, business & other implications
OFFICER WHS OBLIGATIONS

- **Model WHS**: A Person Conducting a Business or Undertaking (e.g. a law firm) has a primary duty of care to ensure, so far is reasonably practicable, that workers (employees, contractors, volunteers) in the workplace are not exposed to health and safety risks.

**NOTE**: *Workers also have a duty* to take reasonable care that their acts or omissions do not adversely affect the health and safety of others (*WA: Section 19 & 20 OSH Act 1984*).

**Loosely speaking, “Officer” includes:**

- Company Directors, Secretaries, Office Holders; Partners
- A person who makes, or participates in making, decisions; OR who has the capacity to affect significantly financial standing; OR who advises Directors (bar professional external advisors)
- Officers have a duty to exercise “due diligence” to ensure their organisation complies with the WHS laws
- An injury does not need to occur for the organisation and or its Officers to be considered “negligent”
WHS ACT PENALTIES

- **Category 1:** For the most serious breaches where a duty holder has recklessly exposed a person to risk of death or serious injury (WA Level 4 penalty: Gross Negligence causing death or serious harm)
  - Corporation: up to $3 million
  - Individual as a PCBU or an Officer: up to $600,000 and or 5 years jail (QLD)
  - WA: Employer: $250,000 and 2 years imprisonment
  - Individual e.g. worker: up to $300,000 / 5 years jail.
  - **Bill passed:** Industrial manslaughter (senior officers - $10 million, 20 years jail)

- **Category 2:** Failure to comply with a health and safety duty that exposes a person to risk of death, serious injury or illness.
  - Corporation: up to $1.5 million
  - Individual as a PCBU or an officer: up to $300,000
  - Individual e.g. worker: up to $150,000.

- **Category 3:** Failure to comply with a health and safety duty.
  - Corporation: up to $500,000
  - Individual as a PCBU or an officer: up to $100,000
  - Individual e.g. worker: up to $50,000.
CASE EXAMPLES

- Robinson v State of Queensland [2017] QSC 165 (14/2) Henry J 8 August 2017

  - Torts — Negligence — Essentials of Action for Negligence — Special Relationships and Duties — Employer and Employee — where plaintiff alleged an accumulation of episodes of potential breach of duty — where employer failed to conduct timely and determinative action regarding vexatious complaints against plaintiff — where plaintiff experienced repeated managerial mistreatment — where plaintiff suffered psychiatric injury — whether the defendant corporation knew or acting reasonably ought to have known of the need to do that which it failed to do — whether the plaintiff has proved that but for the defendant’s breaches the plaintiff’s psychiatric injury would not have occurred — where the court held such breaches did occur — where court held that plaintiff’s psychiatric injury would not have occurred but for the defendant’s breaches

  - Plaintiff (59 year old) awarded damages in the sum of $1,703,530.34 (less Wcomp already paid)

  - Costs decision was pending

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Case Examples

- $625,000 common law damages (capped: older worker)
- **Employer breached duty of care, aggravated an existing psychological condition**
- Allegations included exposure to *supervisory bullying and harassment*, which exacerbated pre-existing chronic adjustment (“kid gloves required”)
- Employee unnecessarily exposed to psychiatric harm via *negligent supervision* by managers aware of pre-existing psychological fragility and its cause, and of a susceptibility to suffer psychiatric harm
- Employee requested transfer to ‘avoid’ conflict, but was denied (just ‘sort it out’ approach)
- Judge: *HR noticeably absent* despite being aware of escalating conflict; failed to act
CASE EXAMPLES

- **Roussey v. Castricum Brothers Pty Ltd (2016)**
  - **NEGLIGENCE** – Workplace injury – Psychiatric injury – Employee complaints to employer of overwork and stress – Failure to reasonably act on complaints – Interaction between stress and overwork and psychiatric injuries – Reasonable foreseeability – Duty to take reasonable care to avoid any foreseeable risk of psychiatric injury – Scope of employer’s duty to prevent psychiatric injury – Breach of common law duty
  - *Failure to prevent* working 70+ hours a week (*Quantum TBD*)

- **Beven v. Brisbane Youth Services Inc. (2016)**
  - **TORTS** – NEGLIGENCE – ESSENTIALS OF ACTION FOR NEGLIGENCE – WHERE NERVOUS SHOCK OR MENTAL DISORDER – GENERALLY
  - WorkCover is to pay the plaintiff damages in the sum of **$1,508,639.35**.
  - WorkCover is to pay the plaintiff’s standard costs from 5 May 2014.
  - Appealed 12 May 2017; basis of “**voluntary assumption of risk**” (due to nature of employer’s clients)
  - *Appeal dismissed* - Appellant to pay costs
OTHER IMPLICATIONS (BIZ CASE & HR METRICS)

IT’S SIMPLY BAD FOR BUSINESS

- Reduced job performance, human capital loss, loss of a dominant source of strategic competitive advantage, places other employees at risk (e.g., “going postal”), toxic workplaces suffer employer branding issues (attraction & retention problems)
- Trial-by-media, external whistle-blowing (FWC, etc), consumer / public perceptions & boycotts, shareholder activism, withdrawal of funding (UK Nazneen Rahman example: $6.47m), social sustainability and removal of social license to operate
- Bradley PWC, DJ’s case (share price), HSF, KPMG, EY, VIC govt (Doyle) . . .

Personal risks (Officer & Workers):

- Criminal consequences (jail, travel implications, etc.)
- What if an employee or co-worker engages in (work-related) self-harm or suicide?
“So tell me again, why does all this even matter?”

AINT NOBODY

GOT TIME FOR THAT
WHAT NEXT?

Prevention over cure – hazard identification & risk management, top tips for WHS (& HR) professionals, workers, and Officers to effectively manage psychosocial risks
Pick 1 each of
- Ind diff
- Context
- Content

Hazards & fill in the HoC matrix
<table>
<thead>
<tr>
<th>Risk Category / Control</th>
<th>Eliminate</th>
<th>Substitute</th>
<th>Engineer Controls</th>
<th>Admin Controls</th>
<th>PPE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual</td>
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<tr>
<td>Work-Content</td>
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# MATRIX RISK MANAGEMENT PLAN

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<th>Tertiary Intervention</th>
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<td></td>
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***NOTE: INSURANCE/S ARE ABSENT…….. AND YES, POTENTIAL PROBLEM***
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<tr>
<td>Work-Content</td>
<td>![Green Checkmark]</td>
<td>![Fire Blanket]</td>
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***NOTE: INSURANCE/S ARE ABSENT…….. AND YES, POTENTIAL PROBLEM***
TOP 5 - JUST FOR WHS

Build capacity: Increase your competence, become a informed internal advisor
Actively engage with your role as having potential to be a key part of the solution (change agent)

If you're not part of the solution, you're part of the problem.

- African Proverb
JUST FOR WHS

Treat psych hazards exactly the same as physical hazards – no distinction, not a second class citizen (poke – regulator....)
JUST FOR WHS

Stop, collaborate and listen  
(e.g., with HR)
- Avoid jurisdictional argy-bargy
- Policy & procedure cross links
- Ensure P&P consistency & clarity
- Do not permit falling through cracks
JUST FOR WHS

Learn to speak the language of parties you need to influence to generate change – e.g., the Executive. Learn how to build a sound business case for psych hazard risk mngt

*(hit between the eyes with ALL the costs & value-add / ROI’s)*
COUPLE OF TIPS FOR WORKERS (THAT’S YOU…)

1. **Understand thyself:**
   - Identify and address (where possible) your individual level risk factors
   - E.g., personality / psychometric testing non-work stressors / spillover

2. **Proactively manage thyself:** Take your leave – *regularly*, maintain healthy diet and exercise habits, engage in mindfulness, build resilience, **find your best / better fit** (the “right” workplace for you), build a strong and diverse support network (family, colleagues, mentors, a coach, a psychologist, a GP…)

3. **USE YOUR VOICE** – raise concerns (formally or informally) about work-related hazards, look out for others, **ask “RUOK?” & follow up**

4. **Seek Support & access relevant services:** your support network, employer EAP (where available)
1. Develop **executive level commitment** to and action on the primary prevention of issues that affect employee mental health and wellbeing (**KEY strategic imperative**)
   - *Provan - Platonic schizophrenia*: Does that commitment really exist, and is it what we need? Logics and recursive beliefs / behavioural relationships, sensemaking
   - **WALK THE TALK**: Reinforcements, deterrents, rewards, approp. metrics

2. Develop, implement and evaluate a **detailed psychosocial risk management plan**
   - Focus on proactive hazard identification and exposure prevention systems
     - [ISO4500 6.1](#)
     - Consider **psychometric profiling ..... To id hazard workers and at-risk workers**
     - Focus more on **work-related psychosocial hazards**

3. (Measure and) Build a **culture of respect, transparency, and voice (Deterrent)***
   - **Toolbox psych hazards**: quickly id possible frays to psychological ropes

4. **Develop and use appropriate, meaningful HR (and OSH metrics) - Actively monitor** leave balances, working hours, employee attitudes, wellbeing, and all five job performance components (**gather and USE information; lag versus really lagged**)

5. Train / employ qualified **mental health first aiders**
POST-EXPOSURE INTERVENTIONS

1. Develop appropriate mechanisms to **both encourage reporting** of work-related psychosocial risks, to **ensure reports are appropriately managed**, i.e., **responded to** and in a **just** manner, and to **prevent victimisation** of employees who engage in voicing behaviours
   - E.g., #MeToo, FWC Stop Bully Applications: adverse action & Bailey injunction

2. **Like aphids..... Nip it in the bud** - Respond to issues promptly, fairly, legally....... 

3. **Provide time** for and encourage use of EAP / support services

4. **Resilience, mindfulness training for employees** – but be careful with the cookie jar....... 
   (These are post-exposure strategies; the horse has already bolted)
“Er…. Houston, we have a problem…….”
“Wahoo – this thing has got airbags!!!!"
“And how does the story end?”
“So tell me again, why does this even matter?”

AINT NOBODY

GOT TIME FOR THAT
“And the crux of all this is.......”

NUMBER 1 TOP TIP

PREVENTION IS BETTER THAN CURE
QUESTIONS & COMMENTS WELCOME

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