



# INADEQUATE REWARD AND RECOGNITION

## RISK MANAGEMENT

*Risk Management involves identifying potential risks, assessing their likelihood and impact, and developing strategies to mitigate or control them. It is a proactive process that seeks to prevent risks from occurring or minimise their impact if they do occur.*

No person should be injured in their workplace, including psychological injury. To meet their duties to ensure health and safety, employers must identify and eliminate or minimise psychosocial risks so far as is reasonably practicable. How long (duration), how often (frequency) and how significantly (severity) workers are exposed to psychosocial hazards impacts the level of risks. Hazards interacting or combining with each other may also impact this. Further guidance on the risk management process is available in the Code of Practice: [How to manage work health and safety risks](#). For more information on the risk management process for psychosocial hazards, please view [Section 2 of the Model Code of Practice](#).

Mind Your Head advocates for *prevention* – that is, identifying risk, implementing or changing systems to prevent worker harm or injury *before it occurs*.

### Examples of Risk Management Strategies for Inadequate Recognition and Reward include:

- **Risk identification:** Identify and recognize the potential risks associated with inadequate reward and recognition. This involves understanding the impact it can have on employees, team dynamics, and overall organisational performance.
- **Risk assessment:** Assess the likelihood and potential severity of the identified risks. Evaluate the current reward and recognition practices, employee feedback, and industry benchmarks to determine the level of risk exposure.
- **Risk mitigation:** Develop and implement strategies to mitigate the identified risks. This can include the control measures mentioned earlier, such as setting clear expectations, implementing fair systems, providing timely feedback, fostering a culture of appreciation, and training managers.
- **Monitoring and review:** Continuously monitor and review the effectiveness of the implemented risk mitigation strategies. Regularly assess the outcomes, gather feedback from employees, and make adjustments as needed to ensure the reward and recognition practices remain effective and aligned with employee needs.



## WAYS TO MANAGE RISKS

**Consult workers and HSRs.** Establish Health and Safety Committees with at least 50% representation from workers. Encourage feedback, especially on any changes.

**Consider how long, how often and how severely workers are exposed to hazards.** The longer, more often and worse the low job control, the higher the risk that workers may be harmed.

**Utilise surveys and tools to assess psychosocial risks** in the workplace, particularly for businesses with over 20 employees.

**Establish a system for workers to report their concerns**, while ensuring anonymity and treating their concerns with respect and seriousness to encourage reporting.

**Observe work and behaviours**, such as prolonged work duration, excessive paperwork, or customer frustration, which may indicate low job control.

**Review available information**, including employee retention, incident reports, complaints, time-off records, injuries, incidents, and workers' compensation to identify potential hazards.

**Identify other hazards present and evaluate how they may interact or combine to create new, heightened risks.** For instance, low job control could pose a greater risk in workplaces with high job demands if workers are unable to take breaks or switch tasks to manage fatigue. Finally, consider the duration, frequency, and severity of workers' exposure to hazards, as prolonged and severe exposure to low job control could increase the risk of harm.