



Employer Guide

Managing the Hidden Risks

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Introduction

Welcome to “*The Employer Guide – Managing the Hidden Risks*”

The Employer Guide has been written to assist small to medium sized businesses manage the “*hidden risks*” or non-physical risks in their work environment. These “*hidden risks*” are formally known as psychosocial risks which include stress, bullying, discrimination, sexual harassment and email and internet misuse.

The Employer Guide is a user friendly resource and will be particularly useful for:

- Business owners;
- Managers and supervisors;
- Occupational health and safety (OHS) representatives;
- Human resource personnel;
- Workers compensation personnel.

The Employer Guide is not written in complex legalistic language. Whilst there are sections of The Employer Guide that explain the legal rights and obligations of both employers and employees, the central aim of The Employer Guide is to assist employers in their efforts at complying with these obligations. It is, therefore, intended that it will be used as a practical resource rather than as a legal reference.

An employer must, so far as is reasonably practical, provide and maintain a work environment for its employees that is safe and without risks to their health and safety. This duty applies equally to both physical and psychosocial risks.

Protecting employees from psychosocial risks in the workplace is especially problematic. The demanding nature of managing a small to medium sized business in the modern work environment makes it difficult for an employer to monitor the psychological welfare of its employees and as such is too often ignored. An employer can no longer afford to adopt this practice.

The incidence of stress related claims in the workplace is increasing. An employer who ignores its legal duty of care for its employees’ health and safety at work is exposing its business to potentially severe economic penalties. Workplace stress can lead to formal legal proceedings, which is a significant expense for a business owner. Legal proceedings consume valuable time, money and resources and also harm the reputation of a business. At GRM Business Solutions we adopt the view that the priority of a business should be to prevent stress related claims from arising in the first place. The Employer Guide’s objective is to make an employer aware of its obligations and assist it to comply with the fundamental principles of health and safety protection of its employees.

By adopting workplace policies, procedures and work arrangements as outlined in The Employer Guide an employer will achieve four vital and associated objectives. These are:

1. Provide and maintain a safe and healthy workplace and work environment.
2. Eliminate or reduce the risk of injury or harm to its employees, so far as is reasonably practicable.
3. Consult and plan with its employees on all work related health and safety issues to promote a safe and positive work culture.
4. Reduce the risk of an incident becoming a claim.

Courts will look more favourably on an employer that has made good faith efforts at honouring its obligations.

The Employer Guide is broken into four sections:

- Employment Law;
- Occupational Health & Safety (OHS);
- Workers Compensation;
- Stress Claims.

Employment Law

This section has been co-authored by Middletons, a prominent Melbourne and Sydney law firm. Six chapters provide sample policies to assist an employer have in place “*essential*” employment law policies including:

- Workplace bullying;
- Equal opportunity and discrimination;
- Sexual harassment;
- Email and internet usage;
- Drug and alcohol;
- A smoke free work environment.

Each of these chapters provides a risk assessment checklist to assist an employer to assess its current work policies and procedures with respect to adopting “*best practice*” in the work environment.

An employer requires procedures and processes to support the policies. Four chapters outline the procedures an employer should establish to manage its employees from commencement to termination of employment:

- Pre-Employment;
- Performance management and disciplinary procedures;
- Termination of employment;
- Managing injured employees.

Occupational Health & Safety (OHS)

The pressures of the modern workplace have resulted in work related risks with the potential to cause psychiatric injury or harm to employees. Work overload, work demands, workplace conflict and poor organisational culture can create stressors in a work environment. An employer needs to identify and eliminate these stressors, or at best contain them.

Four of the eight chapters in this section provide numerous practical strategies, risk management programmes and assistance for an employer to build a positive healthy work environment culture. These chapters are:

- Monitoring the work environment and employee behaviour;
- A stress free work environment;
- Employee safety, health and well-being;
- Key elements of a work environment governance framework.

A small to medium size business owner is not expected to know each and every obligation pursuant to its OHS act. However, a business owner is expected to know, understand and comply with its fundamental health and safety obligations. The remaining four chapters outline an employer's duty of care, its obligations to its employees, its consultation process and key sections of the act.

Workers Compensation

A workers compensation premium can represent a significant aspect of an employer's insurance expenditure. An employer has numerous responsibilities and obligations to an employee injured in the course of his or her employment. This section of The Guide has been written by Alan Clayton, a leading expert in accident compensation system design. There are three chapters in this section:

- Employer best practice in the management of work injury & illness;
- The claims process;
- Rehabilitation and return to work.

These chapters will assist an employer improve the management of a workers compensation claim lodged by an employee and to achieve expeditious and durable return to work outcomes.

Stress Claims

All the Australian workers compensation schemes have experienced an increase in the incidence and cost of work related stress claims. Stress claims are a significant driver of an employer's premium as they are 50% more costly than a standard physical claim. There are six chapters in this section:

- Why stress claims are complex;
- The incident/event reporting & investigation process;
- Early intervention;
- When an employer "*acts reasonably*";
- Employer communication;
- Claims preparation of stress claims.

These chapters will assist an employer to manage these complex and difficult claims and to implement strategies to enhance the claims decision making process.

Summary

The Employer Guide enables employers to access all of these important areas of the employment relationship in the one easy to follow Employer Guide.

GRM Business Solutions is pleased to be able to provide such a unique resource to employers and believes The Employer Guide will become an invaluable tool for small to medium business owners and managers as they navigate their way through the changing and challenging work environment of the twenty-first century.



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