



February 2026

ClubED

Bite-Sized Learning

Monthly Newsletter



ClubEducation

Bite-Sized Learning Newsletter – February Edition.

Psychosocial Risks Are Now a Board Risk – Not Just an HR Issue

Workplace health and safety has evolved beyond physical dangers. The spotlight has shifted to psychosocial hazards, workplace factors that can impact mental wellbeing. Boards must now recognise that psychological safety is a governance responsibility, not just an HR function.

What are Psychosocial Hazards?

These are aspects of work that may cause stress or harm. Common sources include:

- **Job design and workload:** Excessive demands, unclear roles or limited autonomy.
- **Work environment:** Poor conditions, isolation or remote work arrangements.
- **Workplace interactions:** Bullying, harassment (including sexual harassment) or lack of support.

Examples of psychological hazards can also include overwhelming workloads, ambiguous responsibilities, poorly managed change, lack of recognition, aggressive behaviour, exposure to trauma and dysfunctional relationships.

Often, these hazards combine—high pressure plus poor support can significantly elevate stress.

Managing psychosocial risks isn't optional—it's a legal and ethical imperative for every board.

While stress alone isn't an injury, prolonged exposure can lead to psychological harm, compensation claims and regulatory scrutiny.

Legal and Governance Obligations

Under the Work Health and Safety Act 2011, boards and a person conducting a business or undertaking (PCBU) must take reasonable steps to eliminate or reduce risks to both physical and psychological health.

SafeWork NSW's *Managing Psychosocial Hazards at Work* recommends that you:

- Conduct risk assessments
- Consult with staff
- Implement measures (e.g. adjust workloads, offer support programs)
- Review controls regularly

Directors should ensure their club:

- undertakes psychosocial risk assessments;
- consults with staff about hazards and controls;
- implements measures to reduce risks (e.g. adjusting workloads, offering support

- programs); and
- regularly reviews and updates controls.

Case Study: UTS Redundancy Process

In **September 2025**, SafeWork NSW issued a **prohibition notice** to UTS, halting a planned redundancy consultation. Why? The process posed a “serious and imminent risk of psychological harm.”

UTS had notified 800 staff of potential job losses with just one day’s notice. The regulator required UTS to:

- Delay meetings and proposals
- Communicate reasons clearly
- Consult staff properly
- Put measures in place to manage psychosocial risks

This was the **first known use of a prohibition notice** to stop a redundancy process—signalling a new era of regulatory oversight.

Psychological safety is now a compliance issue. Boards must anticipate psychosocial risks during organisational change and act proactively.

Practical steps:

- Plan restructures and redundancies carefully
- Communicate openly and allow reasonable timeframes
- Follow consultation requirements
- Provide support to affected staff

Conclusion

Psychosocial risks are central to workplace safety compliance. Regulators are intervening when processes create psychological harm. Boards should embed psychosocial risk management into **work design, consultation and change management**. A proactive approach ensures compliance and builds a healthier, more resilient organisation.



Upcoming Courses

Dates for Mandatory Director Training, professional development courses, and Club Education Seminars, and courses for 2026 can be accessed [here](#).

Company Directors Course™ from **Wednesday, 15 April 2026 to Tuesday, 21 April 2026** in a face-to-face session in Sydney.

Governance Foundations for Not-For-Profit Directors™ from **Thursday, 18 June 2026 to Friday, 19 June 2026** in a face-to-face session in Sydney, Dubbo and Newcastle.

Registrations for both courses are [here](#).

For any enquiries, contact ClubASSIST on 1300 730 001.

Customised Training

Interested in bespoke or mandatory training for your board or region? We're ready to deliver face-to-face sessions for groups of 10 or more! To discuss your learning needs, email me at RMendes@clubsnsw.com.au.