



Australian Government

Department of Education, Employment and Workplace Relations

PRMCL42A Implement and review risk management process

Release: 1

PRMCL42A Implement and review risk management process

Modification History

Not Applicable

Unit Descriptor

Unit descriptor

This unit aims to ensure compliance with current and relevant Australian Standards concerning risk management of the workplace and the environment in which work is performed. Risk management involves the systematic application of management policies, procedures and practices to the tasks of identifying, analysing, assessing, treating and monitoring risk in these areas.

Risk can be evaluated, dependent on the experience and training of the assessor, using a variety of qualitative and quantitative assessment protocols. For the purpose of this unit competence in the use of a risk assessment matrix, a qualitative tool, is appropriate to the level of competence expected to generate from the unit. An appreciation of the need to utilise specialist advice to evaluate risk as and when appropriate balances competency expectations thereafter.

The unit covers the actions taken to facilitate, locally coordinate and apply the occupational health and safety, and health, environmental and public liability risk management process for a site or area under control, including operations of managers, employees, contractors and the public entering on that site. The unit complements and is allied to PRMCMN401A Manage workplace safety arrangements, to which reference should be made to identify how risk management integrates into the broader management of workplace safety arrangements.

Application of the Unit

Not Applicable

Licensing/Regulatory Information

Not Applicable

Pre-Requisites

Not Applicable

Employability Skills Information

Not Applicable

Elements and Performance Criteria Pre-Content

Not Applicable

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1 Determine the risk management process options	1.1 Consult with <i>work group, stakeholders</i> and <i>appropriate personnel</i> to support implementation of <i>participative arrangements</i> in accordance with <i>client, legislative</i> and <i>company requirements</i> 1.2 Provide readily accessible <i>information</i> to the <i>work group</i> and <i>stakeholders</i> to support <i>participative arrangements</i> in risk management in accordance with <i>client, legislative</i> and <i>company requirements</i> 1.3 Identify procedures to be used for risk management in accordance with <i>client, legislative</i> and <i>company requirements</i>
2 Identify hazards based on work group and personal contributions to the risk management process and agreed work procedure(s)	2.1 Consult with and instruct the <i>work group</i> and <i>stakeholders</i> on risk management procedures in accordance with <i>environmental</i> and <i>occupational health and safety (OHS) training</i> objectives in accordance with <i>client, legislative</i> and <i>company requirements</i> 2.2 Consult with the <i>work group</i> and <i>stakeholders</i> over existing <i>work procedure(s)</i> and <i>environmental requirements</i> 2.3 Observe and review current <i>work procedure(s)</i> for compliance and variance against documented <i>work procedure(s)</i> and <i>environmental requirements</i> 2.4 Record accepted variance in current <i>work procedure(s)</i> to confirm the agreed circumstances and conditions for <i>risk analysis</i> of <i>work procedure(s)</i> in accordance with <i>client, environmental, legislative</i> and <i>company requirements</i> 2.5 Implement processes to <i>identity hazards</i> that create real or potential <i>loss events</i> in accordance with <i>work procedure(s), client, legislative</i> and <i>company requirements</i>
3 Assess the level and acceptability of risk associated with a given event	3.1 Assess <i>likelihood</i> of an event happening using <i>risk analysis protocols</i> in accordance with <i>client, legislative</i> and <i>company requirements</i> 3.2 Assess <i>consequence</i> of an event happening using <i>risk analysis protocols</i> in accordance with <i>client, legislative</i> and <i>company</i>

ELEMENT**PERFORMANCE CRITERIA**

requirements

3.3 Evaluate and determine the risk level of the event using *risk analysis protocols* in accordance with *client, legislative and company requirements*

3.4 Determine acceptability of risk in accordance with *client, legislative and company requirements*

3.5 Seek expert advice to further clarify levels of risk, when appropriate, in accordance with *client, legislative and company requirements*

3.6 Establish the *risk priority rating* and recommended timeframe for management of the risk based on the assessment and expert advice in accordance with *client, legislative and company requirements*

4 Identify potential actions

4.1 Record risk identified in the risk register in accordance with *client, legislative and company requirements*

4.2 Apply the *hierarchy of control* to identify proposed actions for the elimination or reduction of risk in accordance with *client, legislative and company requirements*

4.3 Document the range of proposed actions for the treatment of *hazards* and the proposed amendments to *work procedure(s)* in accordance with *client, legislative and company requirements*

4.4 Identify resources appropriate to management of the risk in accordance with *client, legislative and company requirements*

5 Decide on action

5.1 Confirm acceptance by company management of the amendments to *work procedure(s)* in accordance with *client, legislative and company requirements*

5.2 Nominate members of the *work group* responsible for implementation, reporting and monitoring of amendments to *work procedure(s)* in accordance with *client, legislative and company requirements*

5.3 Allocate resources appropriate to management of risk in accordance with *client, legislative and company requirements*

ELEMENT**PERFORMANCE CRITERIA**

- | | |
|---|--|
| | 5.4 Document approved amendments to <i>work procedure(s)</i> in accordance with <i>client, legislative and company requirements</i> |
| 6 Implement action to control hazards, reduce risk and avoid recurrence of events | 6.1 Inform the <i>work group</i> and <i>stakeholders</i> of company approved <i>hazard treatments</i> and revised <i>work procedure(s)</i> in accordance with <i>client, legislative and company requirements</i>
6.2 Implement consistently the revised <i>work procedure(s)</i> in accordance with <i>client, legislative and company requirements</i>
6.3 Supervise the <i>work group</i> to ensure compliance with the revised <i>work procedure(s)</i> in accordance with <i>client, legislative and company requirements</i> |
| 7 Review implementation of risk controls | 7.1 Review periodically the risk associated with the revised <i>work procedure(s)</i> to ensure they have been implemented in accordance with <i>client, legislative and company requirements</i>
7.2 Monitor <i>work procedure(s)</i> in accordance with <i>legislative, company and client requirements</i> |
| 8 Audit the risk management process and complete regulatory and company documentation | 8.1 Audit risk compliance in accordance with <i>client, legislative and company requirements</i>
8.2 Complete and retain all <i>regulatory and company documentation</i> including <i>OHS records and reports</i> in accordance with <i>client, legislative and company requirements</i> |

Required Skills and Knowledge

Refer to Evidence Guide

Evidence Guide

EVIDENCE GUIDE

The evidence guide identifies the requirements to be demonstrated to confirm competence for this unit. Assessment must confirm sufficient ability to use appropriate skills and knowledge to fulfil worker responsibilities and authorities for management of risk within their work environment. Assessment of performance should be over a period of time covering all categories within the range statement that are applicable in the working environment.

Critical aspects of competency

- Demonstrate knowledge of applicable OHS, risk management and environmental Acts, regulations, standards, codes of practice and guidance notes.
- Understanding of, ability to apply and commitment to organisational management systems and procedures for risk management.
- Ability to apply risk management procedures (that is, undertake hazard identification, risk assessment, risk treatment and monitoring in accordance with the hierarchy of control).
- Identify OHS, risk management and environmental standards and compliance requirements for a system of work.
- Demonstrate a clear understanding of obligation holder's duty of care.
- Ensure the integration of OHS, risk management and environmental management into organisational management systems.
- Undertake consultation with the work group.
- Provide clear information and instruction to a work group on workplace procedures pertaining to health, safety, risk management and environment in a readily accessible manner.
- Application of a consistent leadership role to the identification of hazards within the work group to ensure unresolved issues are referred to designated personnel and followed up appropriately in a timely manner appropriate to the level of risk identified.
- Identify, facilitate and meet the occupational health, safety, risk management and environmental training needs and reporting requirements of the work group.
- Identify characteristics of the workforce that impact on the management of occupational health, safety, risk management and environment.
- Undertake periodic review of work procedures to ensure compliance with company and legal requirements.
- Document matters pertaining to areas of OHS, risk management and environmental responsibility.

Knowledge needed to achieve the performance criteria

Knowledge and understanding are essential to apply this unit in the workplace, to transfer the skills to other contexts and to deal with unplanned events. The knowledge requirements for this unit are listed below.

- Provisions of OHS Acts, environmental Acts, regulations, codes of practice, guidance notes and standards relevant to the workplace, including legal responsibilities of employers, employees, contractors and other parties with legal responsibilities including all stakeholders.
- Principles and practices of effective OHS and environmental risk management systems.
- Procedures for identifying hazards, assessing risks, treating risks and monitoring risks in the work environment.

- Organisation of OHS and environment management systems, policies and procedures necessary to support organisational compliance with legal requirements.
- Characteristics and composition of the workforce and how they impact on OHS, risk management and environmental management.
- The interrelationship of risk management and OHS systems to other organisational systems.
- Policies and procedures related to risk management.
- Access and equity principles in order to accept and respect individual differences within the composition of the work group.

Specific skills needed to achieve the performance criteria

To achieve the performance criteria, some complementary skills are required. These are:

- demonstrated personal commitment to the organisation's OHS, risk management and environmental control program
- literacy and language skills to:
 - articulate OHS and environmental duty of care obligations across levels of responsibility
 - document and record findings
 - understand and comply with work procedures
 - identify and report hazards
 - interpret site safety plans
 - read and comprehend product instructions and MSDS
 - identify and recommend training needs of work group
 - assist in emergency procedures
 - analyse hazards, assess risks and evaluate risk control measures
 - analyse and monitor workplace OHS and environmental data
- assess and advise on the validity and sufficiency of resources required to control risks
- leading, coaching and mentoring in order to provide support to work group
- demonstrating cultural sensitivity
- identifying and explaining levels of responsibility for OHS within the organisation.

Other units of competency that could be assessed with this unit

Competence in this unit may be assessed in conjunction with PRMCMN401A Manage workplace safety arrangements.

Resources required to assess this unit

The following resources should be available:

- access to a suitable work site or comparable venue
- access to suitable equipment and chemicals
- access to personal protective equipment
- access to information concerning company and legislative requirements
- work order instructions, work plans and schedules, and policy documents
- assessment instruments, including personal planner and assessment record book.

Gaining evidence to assess this unit

For valid and reliable assessment of this unit, the competency should be demonstrated over a period of time and be observed by the assessor.

The competency is to be demonstrated in a range of situations that may include customer/workplace interruptions and involvement in related activities normally experienced in the workplace.

Assessment of competency may be made through practical demonstration in the work environment or in a simulated work environment.

Competency is to be demonstrated without assistance or favour to the level of communication and literacy skill evident.

When assessing candidates, assessment techniques that allow a collection of evidence from relevant workplace experience should be used. Assessment against this unit may involve no less than six out of the following areas of assessment:

- continuous assessment in the workplace (observation) or a setting that simulates the conditions of a workplace (simulation), taking into account the range of variables affecting performance, information obtained from the following:
 - direct observation - observing adherence to procedures and instructions in specified circumstances
 - report form a supervisor - according to a checklist based on set procedures and instructions
 - simulation - a relevant set of circumstances should be artificially created and the person observed following appropriate directions and instructions
 - written/oral questioning based on workplace procedures and work instructions
 - self-assessment of performance on the same terms as those described above
 - interviews and/or provision of learning activities to check underpinning knowledge requirements
 - supplementary evidence that may be obtained from relevant authenticated correspondence or reports from line managers.

Performance and assessment of this unit must be carried out within the relevant requirements of the legislative and industry framework and as set out in organisational occupational health, safety, risk management and environmental policies and procedures.

Key competency levels

There are a number of processes that are learnt throughout work and life that are required in all jobs. They are fundamental processes and generally transferable to other work functions. Some of these are covered by the key competencies, although others may be added.

Information below highlights how these processes are applied in this unit of competency.

- | | | |
|------------------------------|---|---|
| 1 Perform the process | 2 Perform and administer the process | 3 Perform, administer and design the process |
|------------------------------|---|---|

How can communication of ideas and information be applied?	2	Discuss and disseminate to work group members relevant OHS and environmental guidelines training information.
How can information be collected, analysed and organised ?	2	Analyse OHS and environmental information against legislative and organisational requirements through observation, discussion and recording information for the work group.
How are activities planned and organised ?	2	Organise work group tasks according to safe work and environmental practices and with regard to the legislative and organisational framework.
How can teamwork be applied?	2	Apply teamwork principles in collaborative and consultative ways that contribute to a safe work environment.
How can the use of mathematical ideas and techniques be applied?	2	Design work scheduling for the work group using established formulae. Data analysis procedures are required in monitoring effectiveness of procedures and hazard treatment/control measures designed to control risk.
How can problem-solving skills be applied?	2	Apply problem-solving skills to risk management and monitoring risk through ongoing communication, planning, evaluation and organisation of safe work and environmental procedures.
How can the use of technology be applied?	2	Enter and access via electronic equipment, safety information, regulatory information and organisation policies and procedures.

Range Statement

RANGE STATEMENT

The range statement links the client, company and technical requirements to the context. It describes any contextual variables that will be used or encountered when applying the competency in work situations. It allows for different work practices and work and knowledge requirements as well as for differences between organisations and workplaces. The following variables are listed in alphabetical order and may be present for this particular unit.

Appropriate personnel may include:

- clients
- colleagues
- external specialists
- health and safety representatives

- managers
- OHS personnel
- other persons including emergency service personnel, authorised or nominated by the enterprise or industry to:
 - perform specified work/functions
 - approve specified work
 - inspect specified work
 - direct specified work/functions
- person(s) in control of work site(s)
- supervisors.

Client requirements may include:

- compliance under the terms and conditions of appointment
- client negotiated outcomes arising from the undertaking of the risk analysis
- client obligations arising under the terms and conditions associated with being the principal contractor and occupier
- general duty of care provisions.

Company requirements may include:

- access and equity policy, principles and practice
- business and performance plans
- client communication procedures
- client confidentiality procedures
- client service standards
- communication channels and reporting procedures
- company goals, objectives, plans, systems and processes
- company issued identification badge/card/pass
- company policy and procedures
- company service standards
- defined resource parameters
- dress and presentation requirements
- duty of care, code of conduct, code of ethics
- emergency response and evacuation procedures
- maintenance procedures for equipment and personal protective equipment (PPE)
- OHS control procedures (e.g. health and safety plans, job plans, job safety analysis, risk assessments, safe operating practices/procedures, safe work instructions, work method statements, safe system of work statements)
- OHS policies and procedures
- personnel practices and guidelines
- policies and procedures relating to own role, responsibility and delegation
- quality and continuous improvement processes and standards
- records and information systems and processes
- rights and responsibilities of employees and employers
- training (induction, refresher and new skills) materials
- use of contractors
- work site access security clearance procedures.

Consequence(s) of a hazard occurring rated in order of severity may include:

- insignificant - no injuries, low financial loss
- minor - First Aid treatment, on-site release immediately contained, medium financial loss
- moderate - medical treatment required, on-site release contained with outside assistance, high financial loss
- major - extensive injuries, loss of production capability, off-site release with no detrimental effects, major financial loss
- catastrophic - death, toxic off-site release with detrimental effect, huge financial loss.

Environmental requirements may include:

- Australian Standards
- environmental policy and procedures
- local government regulations/bylaws
- state and federal environmental legislation.

Event(s) may include evidence of risk in relation to one or more of the following:

- activity of a company
- asset condition within the company
- function of a company
- production design, manufacture distribution and maintenance operations of the company
- project management of a company.

Expert advice may include:

- federal, state and local government regulatory authorities
- private consultants appropriate to the risk being evaluated.

Hazards may include:

- allergic reactions to chemicals or airborne contaminants
- biological hazards such as blood and blood-stained products
- biological waste
- bites and stings
- broken glass and other sharp surfaces
- chemical containers and/or decanted chemical storage containers labelled incorrectly
- chemical hazards
- confined/restricted spaces
- contaminated clothing, materials and/or equipment
- damaged or inappropriate equipment
- dust and fibres
- electrical hazards arising from:
 - cables near scaffolding
 - faulty or absent earth leakage protection
 - maintenance faults
 - operation of overhead equipment such as cherry pickers
 - overhead powerlines
 - power cords, electrical fittings (switches and lights) and untested electrical equipment
 - wet environments
- electrical or mechanical faults of plant and/or equipment including mobile plants
- environmental hazards
- environmental impact

- ergonomic/mechanical hazards
- extremes of heat and temperature
- fatigue
- fire and explosion
- gas
- heights
- human waste (faeces, urine, vomit)
- inadequate lighting and ventilation
- infectious and zoonotic diseases e.g. scabies/Q fever
- inhaling chemical fumes
- leaks, spill, splash and spray
- manual handling techniques including awkward and repetitive postures
- mobile/vehicle hazards around plant and vehicles
- moving and/or unguarded machinery and equipment
- noise
- obstructions or blocked exits
- occupational violence and bullying
- physical hazards
- poor manual handling techniques
- poor personal hygiene practices
- pressured containers containing gas or chemicals
- psychological hazards
- radiation
- repetitive motion, force and vibration
- slippery or uneven floors
- static and prolonged muscular activity
- synergistic chemical reactions (hazardous incompatibility or reactivity)
- syringes or other sharps
- ultraviolet light
- underfoot conditions e.g. slippery, uneven and rough surfaces
- unlabelled chemicals and substances
- unrestricted people access
- untidy work areas
- vehicle exhaust fumes particularly in areas of poor ventilation
- vibration
- waste and waste disposal
- work in isolated/remote environments.

Hazard treatment(s) may include implementation of solutions such as:

- substitution of an alternate piece of equipment over poorly designed equipment
- training the work group in safe work procedures and wearing of PPE
- use of a barrier to protect against heat exposure.

Hierarchy of control for management of risk includes:

- hazard elimination treatment/controls
- hazard substitution treatment/controls
- hazard engineering treatment/controls
- administrative treatment/controls including OHS and environmental training

- PPE.

Identify hazards may include activities such as:

- accessing manufacturer guidance information and manuals
- application of job safety analysis procedures
- assessing the severity of identified hazards and ranking according to risk, implementing controls appropriate to the level of risk assessed and within timeframes appropriate to the levels of risk assessed
- briefing workplace safety inspectors or contracted OHS advisors
- checking work area and/or equipment before and during work
- consultation with employees, OHS representative, OHS committee
- employment and induction procedures
- environmental audits and monitoring
- housekeeping
- job and work system assessment
- performing routine job hazard analysis
- pre- and post-operational equipment checks
- purchasing of supplies and equipment, for example review of material safety data sheets and manufacturer/supplier information, purchase of ergonomically sound equipment, etc
- referencing government or industry hazard or safety alerts, including via industry association contacts and networks
- regular maintenance of plant and equipment
- reviews of OHS records, including registers of hazardous substances, dangerous goods, incident/accident reports, etc
- risk assessment matrix application to evaluating risk
- safety audits and monitoring
- termination interviews
- workplace inspections.

Information may include:

- documents relating to company requirements
- documents relating to legislative requirements.

Legislative requirements may include:

- Australian Standards, quality assurance and certification requirements
- award and enterprise agreements
- codes of practice
- national industry standards
- relevant Commonwealth/state/territory legislation and local government regulations that affect company operation:
 - anti-discrimination and diversity
 - availability of chemical registers/manifests
 - chemical controls
 - consumer protection
 - environmental protection issues
 - equal employment opportunity
 - freedom of information
 - industrial equipment certificates of competency or licences

- industrial relations
- OHS Acts and regulations
- privacy
- trade practices
- workplace consultative arrangements.

Likelihood in terms of risk evaluation relates to the probability or frequency with which an event occurs.

Loss events should be evaluated for potential outcomes for:

- equipment damage
- financial loss
- loss
- others forms of loss arising from exposure to risk in the workplace and/or environment
- personal injury.

Occupational health and safety* (OHS) requirements may relate to:

- communication devices for remote and isolated locations e.g. mobile phone, two-way radio, etc
- dermatotoxicological control and prevention measures
- hazard identification and risk assessment mechanisms
- hazard reporting
- hazardous material disposal guidelines
- hierarchy of hazard treatment/control procedures
- injury, dangerous occurrence and incident reporting requirements
- keeping access ways clear from obstruction
- maintaining clear access ways
- maintenance procedures for equipment and PPE
- national industry standards/codes of practice
- OHS control procedures (e.g. health and safety plans, job plans, job safety analysis, risk assessments, safe operating practices/procedures, safe work instructions, work method statements, safe system of work statements)
- protection from hazardous substances, noise and dust
- protection of people in the workplace
- routes of entry and potential symptoms of exposure from chemicals
- safety training (induction and refresher)
- ultraviolet light
- up-to-date electrical test and tag compliance
- use of chemicals in accordance with labels
- use, storage and maintenance of equipment in accordance with manufacturers' specifications and equipment operating manuals
- use, storage and maintenance of personal protective equipment and clothing.

**Also known as workplace health and safety*

OHS records and reports should include documented:

- compliance and due diligence statement
- First Aid/medical post records
- hazardous substances registers
- health surveillance and workplace environmental monitoring records
- maintenance and testing reports

- manufacturers' and suppliers' information, including MSDS and dangerous goods storage lists
- monitoring and auditing documents
- OHS audits and inspection reports
- records of instruction and training
- risk management policy statement
- risk register
- risk treatment and action plan
- safety bulletins or notices
- workers' compensation and injury management records.

OHS training may include:

- awareness of duty of care provisions, legislative and company policy and procedures and standards
- awareness of management responsibility
- consultation in the workplace
- controlling hazards and reviewing change
- emergency response and evacuation training
- induction training and refresher training
- risk management training
- specific hazard training
- specific task or equipment training
- the nature of hazards and hazard recognition (identification) and assessment of risk
- training as part of broader programs, for example equipment operation.

Participative arrangements may include all levels of employees and, where appropriate, other stakeholders in:

- employee performance feedback
- formal and informal meetings
- health and safety representative appointment
- OHS committee appointment
- organisational information, staff bulletins and notices
- other special purpose committees, for example consultative, planning and purchasing
- participation in risk evaluation processes
- suggestions, requests, reports and concerns put forward by employees to management.

Regulatory and company documentation may include:

- Acts, regulations, codes of practice, standards and guidance material
- company policy and procedures
- company records.

Risk analysis includes:

- analysis of the likelihood, chance, frequency or probability of something happening that will have an impact upon work objectives
- a process involving:
 - hazard identification
 - risk assessment
 - risk treatment/control

- risk monitoring and evaluation
- assessment of the real or possible outcome should something happen measured in terms of the nature and extent of harm or injury to the individual(s) and/or environment.

Risk analysis protocols may be selected on the following criteria:

- Australian Standards, company standards and client standards
- combination of quantitative or qualitative assessment tools as appropriate to the risks being assessed
- company policy, procedures, goals, objectives and the interests of stakeholders
- operational, technical, financial, legal, social, humanitarian or other criteria
- the scope of the risk management project being undertaken.

Risk priority rating should consider:

- cost-benefit analysis to determine acceptance or rejection of treatment
- development of a risk action plan incorporating:
 - specification of the risk
 - summary of recommended response and anticipated impact
 - proposed actions
 - resources required
 - responsibilities
 - timing
 - reporting and monitoring requirements
- monitoring plan for the implemented treatment option
- person responsible for implementation of the option
- possible risk treatments/controls in order of priority for resolution
- preferred options for treatment of risks
- priority listing of risks identified in the risk register
- risk rating after treatment is implemented
- signatories and dating of plan by the compiler and reviewer of the plan
- timetable for implementation.

Stakeholders other than company management may include:

- business operators and their employees in near proximity to company operations
- client's staff
- contractors and subcontractors
- fellow workers (colleagues)
- general public
- venue/facility/building/shopping centre staff/management.

Work group members may include all stakeholders or a combination:

- contractors authorised by the company to perform specific work functions
- employees under direct supervision
- entry-level trainees
- full-time, part-time or casual employees
- public authorised for entry on-site
- trainee supervisors or trainee team leaders.

Work procedure(s) may include:

- instructions general to the management of the enterprise, such as:
 - contracting of services
 - counselling/disciplinary processes
 - maintenance of plant and equipment
 - purchasing of supplies and equipment
 - specific safe work procedures
 - tendering of work
 - training
 - work procedures and work instructions.
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Unit Sector(s)

Not Applicable

Functional Area:

Functional Area: Elective. Cleaning Operations