

VERSION ONE — JULY 2025

Adaptive Risk Intelligence Framework

EXAPTIVE LABS



Executive Summary

Psychosocial risk is no longer a fringe concern. It sits squarely on the agendas of boards, regulators, and executive teams - not only because of its regulatory and human impact, but because of its growing influence on trust, performance, and organisational resilience.

Despite this shift, many organisations continue to rely on traditional tools that were not built for the nature of psychosocial risk. Policies and procedures may be in place. Surveys and audits may be conducted. But harm continues to emerge, often in subtle, relational, and systemic ways that escape detection until it's too late.

The Adaptive Risk Intelligence (ARI) Framework was created to close this gap.

ARI offers a practical, evidence-informed approach to psychosocial risk that goes beyond static compliance to reveal what's really happening beneath the surface. Instead of simply asking whether controls exist, ARI helps leaders assess whether they are working in practice - for whom, under what conditions, and with what consequences. It is grounded in lived experience, enabling early detection of emerging risks and supporting timely, proportionate, and adaptive responses.

At its core, ARI integrates three interdependent elements:

- **Core** – the foundations of compliance and governance.
- **Capability** – how work is designed and experienced day-to-day.
- **Culture** – the trust, ethics, and relational dynamics that shape safety and performance.

These are connected through the **Signals–Paths–Impact (SPI) Cycle**, which turns diagnostic insight into real-time action and learning. Whether deployed as a one-off diagnostic or embedded into ongoing governance and strategy cycles, ARI equips organisations to manage risk not just reactively, but adaptively.

For executive leaders navigating complex systems, shifting expectations, and heightened accountability, ARI provides more than a risk management tool. It delivers a strategic advantage by strengthening assurance, enabling early intervention, and enhancing the human experience of work.

Chapter One:

Why ARI is needed and
how it helps



Macro drivers and trends

An increasing global health problem

The last decade has seen a surge in awareness around psychosocial hazards. Within Australia, this has been accompanied by new regulations, growing board scrutiny, and a rise in mental health related workers compensation claims, which now total over \$1 billion annually - not including lost productivity, turnover or legal costs¹.

But despite these developments, many organisations continue to report two persistent challenges:

- Psychosocial risks are difficult to detect early with traditional tools
- Productivity is declining, despite increased effort and compliance activity.

These are not unrelated issues. Psychological harm and performance drag often share common roots: poor role clarity, conflicting demands, harmful interactions, or mismatched expectations. These dynamics can undermine both employee wellbeing and operational efficiency, and yet they are often invisible in audit reports or lagging indicators.

Recent research highlights this pattern across Australia's workforce: Productivity is falling even as hours worked hit record highs². Traditional management methods built around standardisation, optimisation, and compliance are struggling to deliver results in today's more relational, variable, and service-oriented environments.

Work-related stress is not an isolated organisational challenge, it's a global public health concern. According to the World Health Organisation (WHO), depression and anxiety disorders cost the global economy an estimated US\$1 trillion per year in lost productivity, much of it linked to workplace conditions such as excessive pressure, poor communication, and limited support.³

The WHO also notes that long working hours contribute to 745,000 deaths annually from stroke and heart disease, making psychosocial risk a critical issue not just for wellbeing, but for workforce sustainability.⁴ These figures reflect a broader shift: as work becomes faster, more complex, and less bounded by time or location, the psychological demands placed on workers are intensifying and traditional systems of management are struggling to keep pace.

[1] Comcare 2023, Psychological Injury Claims Data Snapshot.

[2] Productivity Commission 2025, Research Paper - Productivity before and after COVID-19 - Overview, page 3

[3] World Health Organization 2019, Mental health in the workplace

[4] World Health Organization & International Labour Organization 2021, Long working hours increasing deaths from heart disease and stroke

Why current approaches are falling short

In recent years, organisations have invested heavily in psychosocial risk management. Policies have been drafted, training has been delivered and survey tools have been implemented. And yet, rates of psychological harm remain high - and in many sectors, they're rising.

Despite good intentions, many current approaches struggle to address the real-world conditions that shape psychological health and safety. Too often, risk management focuses on surface level compliance rather than the deeper drivers of harm. This creates a gap between what organisations think they're managing and what people are actually experiencing at work.

Evolving expectations and legal accountability

In Australia and globally, regulatory expectations are shifting. Organisations are now required to demonstrate that psychosocial hazards are being proactively identified, assessed, and managed, not just that policies exist. Boards and senior leaders are expected to go further than box-ticking and demonstrate they are verifying effectiveness, consulting meaningfully, and acting proportionately.

Boards and executives are increasingly being held accountable for ensuring that psychosocial risk controls are not only in place, but effective. This includes Officers demonstrating they are exercising their due diligence obligations to confirm the organisation complies with WHS laws. This duty applies to individuals who make, or participate in making, significant business decisions, including but not limited to directors and secretaries of an organisation⁵.

Legal exposure is increasingly tied to whether systems are working, not just whether they're documented.

The gap between theory and experience

Many risk management systems were designed for static and observable hazards, not the relational, cultural, and emergent nature of psychosocial risk. As a result, there is often a mismatch between what organisations believe they're managing and what people are actually experiencing at work.

Checklists, audits, and annual surveys can document what is visible, but psychosocial harm typically develops through:

- Unclear roles and conflicting demands
- Harmful interactions and unmanaged power dynamics
- Subtle exclusions or breakdowns in trust
- Micro-patterns of behaviour that accumulate over time.

These dynamics can't be captured by static tools. They require a different kind of lens, one that reveals not just whether a control exists, but whether it's working in context.

Why traditional tools are struggling

Traditional risk approaches, often rooted in physical safety paradigms, fall short when applied to psychosocial hazards. They are often:

- Reactive rather than anticipatory
- Focused on static controls rather than context
- Designed for compliance rather than insight and adaptation.

This means many organisations miss early warning signs, such as deteriorating trust, inconsistent leadership behaviour, or emerging strain until they become complaints, claims, or costly disengagement.

A strategic shift towards insight and adaptaton

The ARI Framework was developed to meet this challenge head-on. It brings together risk, culture, and performance into a unified view, enabling leaders to:

- Detect emerging psychosocial risk in real time
- Understand where strain is relational or systemic, not individual or technical
- Evaluate whether interventions are having the intended impact
- Move from generic, standardised fixes to context-sensitive, proportionate action.

Crucially, ARI shifts the focus from compliance driven activity to outcome oriented insight. It does not replace existing systems; it strengthens them by surfacing the friction points and contradictions that traditional tools overlook.

For organisations grappling with cultural drift, declining productivity, or rising psychological harm, ARI offers a new kind of intelligence. One rooted in lived experience, relational understanding, and adaptive learning.



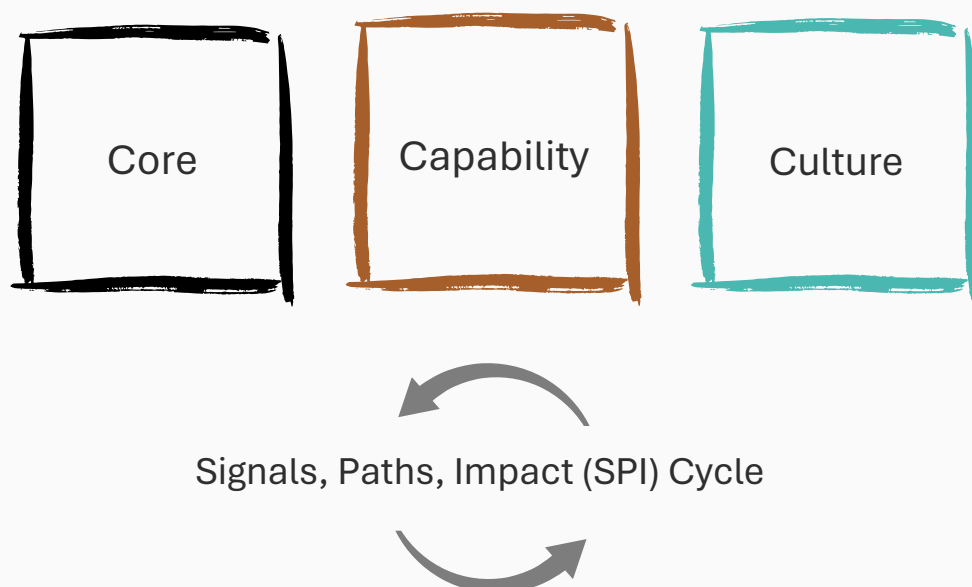
Introducing the ARI Framework

The ARI Framework was developed to meet a clear and growing need: to move beyond surface-level compliance and provide a more accurate, human-centred view of psychosocial risk. It is designed for organisations that want to go deeper and understand not just whether policies exist, but whether they are working in practice, and whether they are addressing the real dynamics shaping wellbeing, safety, and performance.

Rather than replacing existing risk management systems, the ARI Framework is built to work alongside them, whilst offering new insight into the hidden patterns, relational tensions, and systemic misalignments that often precede harm and underperformance.

At the heart of the ARI Framework are three interrelated elements that together provide a comprehensive view of how psychosocial risk is actually being managed, not just documented. Each element reflects a different layer of organisational life, enabling leaders to see where systems are functioning, where strain is accumulating, and where risks are being shaped in real time.

The ARI Framework is not static. All three elements - **Core, Capability, and Culture** - are supported by the **Signals - Paths - Impact (SPI) Cycle** which is powered by SenseMaker® and converts insight into real-time action and organisational learning. SPI enables ARI to function as a continuous monitoring system, not just a one-off assessment.



Guiding principles

The ARI Framework is grounded in five core principles that shape both its design and application:

01 Human-centred

Focuses on lived experience, relationships, and work as it is actually done, not just how it is documented.

02 Insight over inspection

Moves beyond checking for the existence of controls to understanding their actual impact.

03 Relational diagnostics

Captures how interactions, role dynamics, and informal norms contribute to psychological safety or harm.

04 Organisational fit

Designed to integrate with existing WHS, HR, and governance systems without duplication.

05 Adaptive learning

Enables feedback loops that help organisations detect early signals, adapt strategies, and evaluate progress over time.

ARI was developed to close a growing gap between what's formally in place and what's actually happening at work. It helps leaders see what's working, what's not, and what may be quietly eroding both safety and performance.

What ARI is (and isn't)

ARI is not an audit, a survey, or a standalone program. It is a structured, insight generating framework that helps organisations:

- Sense emerging patterns of risk or dysfunction across teams or roles
- Test whether formal policies and programs are translating into positive lived experience
- Identify where gaps between expectations, capability, and behaviour are creating unseen strain
- Build confidence in governance and reporting by surfacing the 'why' behind trends.

Put simply: ARI doesn't tell you whether you have a policy in place. It helps you understand whether that policy is working, for whom, and why.

How ARI fits alongside existing systems

The ARI Framework is designed to align with, and add value to, the systems already in place. Specifically, it complements organisational performance strategies, by offering new ways to understand where drag, strain, or disengagement may be originating and how they can be addressed early.

By integrating ARI into existing WHS, HR, or cultural review cycles, organisations can avoid duplication, strengthen reporting, and enhance their ability to deliver psychologically healthy, high-performing workplaces.



A deeper look inside the framework

Focused on the procedural, structural and relational elements of psychosocial risk management

The ARI Framework is built around three interrelated elements - **Core, Capability, and Culture** - that together provide a holistic view of how psychosocial risk is actually being managed in practice. Each element addresses a distinct layer of organisational function:

- **Core** - Focuses on foundational compliance and procedural structures
- **Capability** - Examines how work is designed and experienced at the individual and team level
- **Culture** - Explores the relational and ethical dynamics that shape trust, adaptation, and psychological safety.

This structure enables organisations to identify not just whether systems are in place, but whether they're working, where friction exists, and how risk is being experienced and mitigated in real time.

A living framework

All three elements are supported by the **Signals–Paths–Impact (SPI) Cycle**, which turns narrative and observational data into real-time insight:

- **Signals** - Emerging indicators captured through narrative data, lived experience, and diagnostic insight. These may include early signs of role strain, inconsistent leadership behaviour, or cultural contradictions.
- **Paths** - Practical, proportionate responses based on the nature of the signal. This might include sense-making workshops, targeted redesign of team practices, or re-alignment of policy with practice.
- **Impact** - Ongoing monitoring to assess whether actions taken are producing the intended effects, not just in terms of implementation, but in terms of lived experience and cultural shift.

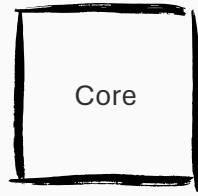
This enables the ARI Framework to serve not just as a one-off diagnostic, but as a living monitoring system growing in value over time as insight leads to action and learning.

From static data, to dynamic insight

The SPI Cycle transforms risk management from a static compliance exercise into a dynamic, adaptive process. It allows organisations to:

- Move from lagging indicators to leading insight
- Detect and respond to emerging issues before they escalate
- Build a culture of continuous learning, rather than periodic review.

Whether used during moments of change, cultural transformation, or operational strain, the SPI Cycle enables leaders to act earlier, adapt faster, and learn more deeply from within their own systems.



What we assess

Whether foundational obligations such as identifying hazards, assessing risk, consulting workers, and implementing controls are clearly defined and operating effectively.

How well work is structured to mitigate psychosocial hazards by design including role clarity, autonomy, support, and the opportunity for meaningful contribution.

The relational, ethical, and adaptive qualities of leadership and organisational culture, especially how decision making, inclusion, and accountability are experienced under pressure.

Why it matters

This is the procedural bedrock of psychosocial risk management. Without it, organisations face significant legal and governance exposure. Regulatory expectations require that these system level elements are not only present but evaluated for effectiveness.

Poorly designed work is one of the most common and preventable sources of psychosocial risk. When people lack clarity, agency, or connection, risks like burnout, disengagement, and strain increase. No amount of resilience training can compensate for systemic design flaws.

Psychosocial risk is inherently relational. It is shaped by how people interact, how safe they feel to speak up, how power is exercised, and how leadership responds in moments of strain. These dynamics can undermine even the most well-intentioned policies if left unexamined.

What this reveals

Uncovers areas where policy exists but may be poorly understood or inconsistently applied. It also helps surface implementation gaps, where controls exist on paper but are not embedded in day-to-day practice.

Surfaces patterns in how work is really experienced - not just how it is imagined in process maps or role descriptions. It helps leaders understand where pressure is building, where support is thin, or where redesign might reduce harm and improve performance.

This element looks for cultural contradictions - the subtle but significant gaps between what an organisation says it values and what people actually experience. These gaps often drive risk 'below the surface' and can lead to silence, disengagement, or normalisation of harm.

Value for leaders

Strengthens assurance, supports due diligence obligations under WHS legislation, and provides boards with confidence that baseline requirements are in place or highlights where remedial action is needed.

This is where psychosocial risk overlaps with productivity. Capability insights help identify structural frictions that erode both wellbeing and output, enabling early intervention that benefits people and performance simultaneously.

Visibility into dynamics that can otherwise evade detection such as passive resistance, performative compliance, or deteriorating trust. It also supports a more ethical and adaptive risk posture by showing how the organisation responds when it matters most.

Chapter Two:

How ARI works with
your existing systems



Strategic fit - Working with what you've got

Organisations don't need another standalone framework. What they need is a better way to make sense of what's already happening and ensure that what's been designed in theory is actually working in practice. That's the role of the ARI Framework.

ARI is designed to integrate seamlessly with existing WHS, HR, governance, and cultural processes. It doesn't replace established systems - it strengthens them. By adding a relational and contextual lens, ARI helps leaders uncover why risks continue to emerge, why controls sometimes fail, and why cultural initiatives may not gain traction.

Closing the gap between process and practice

Most psychosocial risk systems are built on process: hazard identification, consultation, assessments, and documentation. These are essential, but on their own they rarely reveal whether the systems in place are understood, applied, or experienced as intended.

ARI closes this gap by connecting the procedural with the practical. It gives leaders visibility into how risk management actually plays out in day-to-day work, particularly when:

- Informal norms override formal expectations
- Policy is interpreted differently across teams
- Trust, inclusion, or leadership consistency waver under pressure.

By surfacing these blind spots, ARI enables proportionate intervention before risk escalates or becomes embedded.

Aligned with evolving Regulatory expectations

As regulators move toward more proactive enforcement, such as mandatory psychosocial WHS checks⁶, leaders are expected to do more than demonstrate that systems exist. They must show that controls are effective, that consultation is meaningful, and that culture supports rather than undermines risk management. ARI is fully aligned with this shift.

It provides evidence of:

- Whether interventions are working for the people they are designed to protect
- Where systemic issues may be distorting feedback or reinforcing harm
- How the organisation is adapting over time, not just documenting intentions.

This makes ARI a powerful tool for fulfilling due diligence obligations and strengthening board level oversight.

Enhancing tools, not duplicating them

Surveys, audits, reporting dashboards, and performance reviews already exist in most organisations. But on their own, these tools often fail to explain why problems persist or how to address them effectively. ARI overlays these systems with narrative insight and relational intelligence. It helps translate existing data into:

- Contextual understanding
- Real-time organisational sense-making
- Actionable pathways for cultural and operational alignment.

Instead of creating redundancy, ARI acts as a connective tissue - bridging silos and giving existing tools deeper meaning.

From compliance to value creation

When psychosocial risk is treated solely as a legal obligation, organisations miss the opportunity to improve culture, leadership, and performance. Poorly managed risk doesn't just lead to injury - it erodes trust, drives disengagement, and slows execution.

ARI helps reframe psychosocial risk as a source of strategic insight:

- A lens on leadership effectiveness
- A feedback mechanism for cultural alignment
- An early warning system for performance and productivity drag.

In doing so, it enables organisations to move from defensive compliance toward proactive capability building, enhancing not just safety, but long-term resilience.



Use cases and deployment options

The ARI Framework has been designed to meet organisations where they are. Whether they are responding to compliance obligations, addressing cultural challenges, or seeking to better understand how work is experienced across their system. It is flexible in delivery, scalable across contexts, and adaptable to different levels of maturity in psychosocial risk management.

What makes ARI effective is not just its design, but the variety of ways it can be used. From one-off diagnostics to embedded learning systems, from boardroom insight to frontline discovery.

Use case	When to use it	Value delivered
Targeted diagnostic	During restructure, leadership change, enterprise agreement negotiation, or following an incident	Surfaces hidden risks, tension points, and emerging cultural misalignments
Board assurance and governance	When boards need evidence of psychosocial risk management effectiveness beyond metrics	Strengthens due diligence, enhances reporting, builds confidence in control effectiveness
Strategy refresh or program launch	When launching a wellbeing strategy, culture transformation, or risk reform initiative	Validates assumptions, captures lived experience, aligns design with reality
Ongoing learning system	For organisations with complex operations or high exposure to psychosocial risk	Establishes continuous insight cycles, improves adaptability, embeds ethical governance
Pilot program	When testing ARI in a specific function, region, or level	Builds internal capability and trust before scaling; delivers proof of value quickly

Delivery models

To suit varying levels of maturity, capability, and internal resourcing, ARI can be deployed through a range of delivery models:

- **Facilitated Diagnostics** - Short, focused engagements led by our team to surface insight and identify opportunities for action.
- **Integrated Programs** - Multi-phase initiatives embedded into broader organisational change or strategy cycles, supporting transformation from within.
- **Hybrid Support** - Internal teams lead deployment with external coaching, tools, and quality assurance to build sustainable in-house capability.
- **Digital Deployment** - Narrative-based data capture using SenseMaker®, enabling distributed teams to share real-time experience at scale.

Each model is designed to prioritise relevance, insight, and practical action whilst avoiding complexity for its own sake.

ARI in action - a flexible, strategic asset

Whether used to anticipate disruption, navigate transformation, or meet emerging regulatory expectations, ARI provides leaders with a clear edge:

- It reveals what people are really experiencing, before risks escalate
- It connects culture, strategy, and performance through the lens of risk
- It supports more confident decision-making across all levels of the organisation.

For those looking to move beyond compliance, ARI creates the conditions for ethical, adaptive, and resilient systems to take root.

Psychosocial risk is no longer just a compliance issue. It's a strategic concern that touches every part of the organisation. From trust and engagement to leadership, culture, and performance, it shapes how people experience work and how organisations succeed or struggle in complexity.

The ARI Framework offers a new approach: one that doesn't stop at metrics or controls but moves deeper into lived experience, relational dynamics, and organisational sense-making. It enables leaders to ask better questions, see emerging risks earlier, and build systems that adapt not just comply.

Whether your focus is safety, productivity, or culture, ARI helps surface what matters, then respond with clarity, care, and confidence.

Next Steps

Organisations typically begin their ARI journey in one of four ways:

01 Start with a conversation

A structured session with executive leaders to explore key challenges, understand the framework, and identify where insight would be most valuable.

02 Run a targeted diagnostic

A short, focused engagement to surface patterns in a specific team, function, or initiative. Ideal for testing assumptions or building shared understanding.

03 Integrate into existing rhythms

For those already investing in WHS, culture, or transformation, ARI can be embedded into current planning and reporting cycles for continuous learning.


04 Build internal capability

We partner with clients to equip them to run ARI independently, supported by facilitation tools, narrative platforms, and tailored coaching.

No matter the entry point, ARI is designed to meet you where you are, then help you go further.

Want to know more?

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