

Business Insurance

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Most Workplace Violence Avoidable

By Paul Viollis

As a result of the 5,500 incidents of workplace violence that occur every day, at least three people are murdered. On average, 17 workers are killed each week and 13,000 women are assaulted, stalked or murdered at work by a significant other each year. Recently, the U.S. Department of Labor reported that 2003 saw the first spike in workplace violence in three years. But even though these statistics underscore the threat posed to all U.S. companies from workplace violence, most employers are failing to mitigate the increased risk of such incidents.

While layoffs, which are the No. 1 reason for workplace violence to erupt, have reached a historical high, only 1% of the respondents to a 2004 survey by the American Society of Safety Engineers said they have written policies on workplace violence. Only 50% of the companies said they have procedures in place that employees can follow to discreetly report the red flags that signal impending violence. Further hampering the potential for preventing violence is the fact that most workers have not been trained to recognize these overt warning signs.

The vast majority of incidents of workplace violence are completely preventable if employees know what to look for and how to report it. While younger individuals and females have increasingly emerged as workplace violence offenders in the past several years – possibly a spillover from school violence – the demographic and behavioral characteristics of the individuals who typically perpetrate acts of violence have, for the most part, remained the same. Such individuals are predominately male, between 25 and 40 years of age, do not handle stress well and are chronic complainers, manipulative and socially withdrawn, among other characteristics.

The most significant difference employers should be aware of between these individuals and others is the manner in which they resolve conflict. The following are examples of recent trends in workplace violence:

- Downloading a virus into the employer's data center, disabling its operations and, ultimately, its production, causing business interruption costs that could add up to the millions of dollars.
- Tampering with an employer's product development cycle, causing a costly recall, adverse media, business interruption and a decline in stock value.
- Directing electronic or handwritten death threats at senior management and their families, prompting exorbitant security and business interruption costs.

Doing almost as much damage to the workplace is domestic violence. While domestic violence was often regarded in the past as a personal problem to be handled outside of work, it is now clear that employers must be committed to fighting it. The strongest defense in combating domestic violence in the workplace is treating it as seriously as sexual harassment. American employers have worked earnestly over the past 10 years to craft policies and train employees on the various aspects of sexual harassment while clearly defining unacceptable behavior and the ramifications for nonadherence.

The U.S. Occupational Safety and Health Administration mandates that employers foster a work environment free from potential hazard. If incidents occur and employees are hurt or killed, they or their families can sue for civil damages that can be uncapped and result in millions of dollars in damages. For example, in 2003, six workers were slain at Lockheed Martin Corp.'s plant in Meridian, Miss. Recently, a federal judge ruled that Lockheed cannot hide behind workers compensation law to deflect millions of dollars in potential damages. The trial has been set for October, and the jury will be instructed to determine if Lockheed was aware of the potential for violence to erupt but failed to take the necessary precautions to protect its employees.

For an employer to pass the test of reasonableness in providing a safe work environment, the following steps must be taken:

- Craft a comprehensive policy clearly defining and addressing the various manifestations of workplace violence, including domestic violence, while outlining unacceptable behavior and the ramifications for noncompliance. Topics such as access control, visitor escort procedures, domestic violence protocols, Americans with Disabilities Act compliance and threat mitigation procedures should be addressed in this document.
- Train all employees to recognize and report the early warning signs of workplace violence, so that the employer's security department can act before an incident occurs that is financially and emotionally costly.
- Conduct a holistic vulnerability assessment to determine the likelihood of violence to erupt.
- Ensure that security standards for the employer's premises meet best practices.

Additionally, it is imperative that risk managers hold subject-specific meetings with their insurance brokers to ensure that their organizations are effectively protected from the financial devastation that typically accompanies incidents of workplace violence. Invariably, during a post-incident briefing, the bad news is delivered to the risk manager that the costs associated with the incident are not covered, leaving an enormous unbudgeted expense. Some examples of such costs are business interruption, consultant fees for added security crisis communications, critical-incident stress management, executive protection, prelitigation support interviews and organizational rehabilitation. Conducting thorough due diligence on the front end is extremely cost beneficial.

Apart from the lone gunman seeking immediate gratification, workplace violence is completely avoidable and is never spontaneous. The warning signs exhibited by the typical offender are both

extremely reliable and overtly obvious to the educated eye. Similarly, the victim of domestic violence also displays systematic behavioral indicators to those around her or him.

Is your organization prepared to recognize these signs and respond with preventive action, or will it take the loss of life to re-engineer your corporate culture to avoid workplace violence? That's your call.

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