

THE **NEW** REALITY  
OF RISK

FROM BULLYING TO TERRORISM: VIOLENCE IN THE WORKPLACE  
MARCH 2016



# VIOLENCE IN THE WORKPLACE

## DEFINING WORKPLACE VIOLENCE

“A spectrum of behaviors — including overt acts of violence, threats, and other conduct — that generates a reasonable concern for safety from violence, where a nexus exists between the behavior and the physical safety of employees and others (such as customers, clients, and business associates) on-site, or off-site when related to the organization.”

– *Workplace Violence Prevention and Intervention Standard,  
ASIS International/SHRM*

# VIOLENCE IN THE WORKPLACE

## WHAT WORKPLACE VIOLENCE CAN COST BUSINESSES

- Property damage.
- Loss of employees and productivity.
- Negative cultural impacts.
- Reputation damage.
- Loss of revenue.
- Litigation.
- Psychological effects.
- Regulatory fines.
- Insurance claims.

# VIOLENCE IN THE WORKPLACE

## FOUR TYPES OF WORKPLACE VIOLENCE

### TYPE 1

Violent acts by criminals who have no other connection with the workplace, but enter to commit robbery or another crime.

### TYPE 2

Violence directed at employees by customers, clients, patients, students, or others to whom service is provided.

### TYPE 3

Violence against coworkers, supervisors, or managers by a present or former employee.

### TYPE 4

Violence committed in the workplace by someone who doesn't work there, but has a personal relationship with an employee.

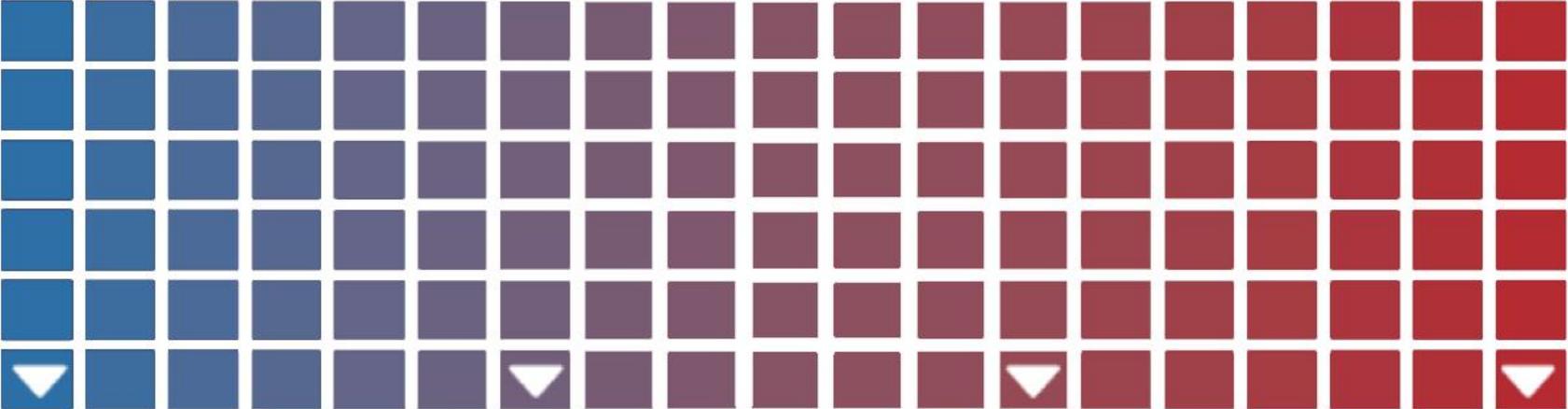
# VIOLENCE IN THE WORKPLACE

## WORKPLACE VIOLENCE RISK FACTORS

- Organizational factors:
  - Poor work culture.
  - Lack of training and guidance.
- Physical factors:
  - Workspace/equipment arrangements.
  - Security policies/procedures.
- Personal factors:
  - Social/coping skills.
  - Health and finances.
  - Relationships.
- Higher-risk industries:
  - Health care.
  - Social services.
  - Education.
  - Retail.

# VIOLENCE IN THE WORKPLACE

## THE WORKPLACE VIOLENCE SPECTRUM



**Behaviors of  
Concern**

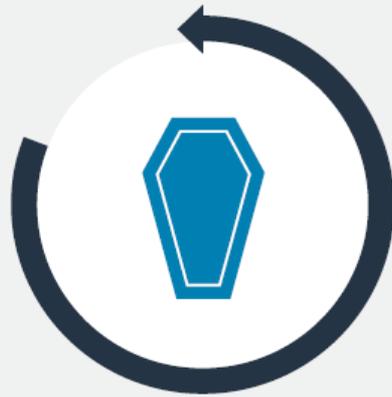
**Threatening  
Behaviors**

**Physical Injury**

**Death**

# VIOLENCE IN THE WORKPLACE

## TERRORIST ATTACKS AND CASUALTIES WORLDWIDE



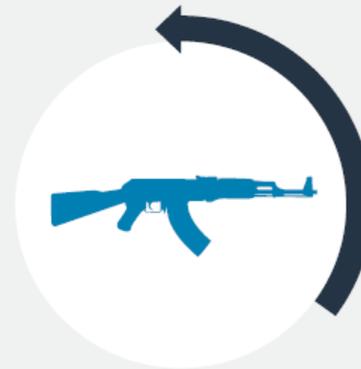
THE NUMBER OF LIVES  
LOST TO TERRORIST  
ATTACKS INCREASED

81%

2013

2014

17,891 ▶ 32,727



THE NUMBER OF  
TERRORISM INCIDENTS  
INCREASED

35%

2013

2014

9,964 ▶ 13,463

Source: *Country Reports on Terrorism 2014*, US Department of State

# VIOLENCE IN THE WORKPLACE

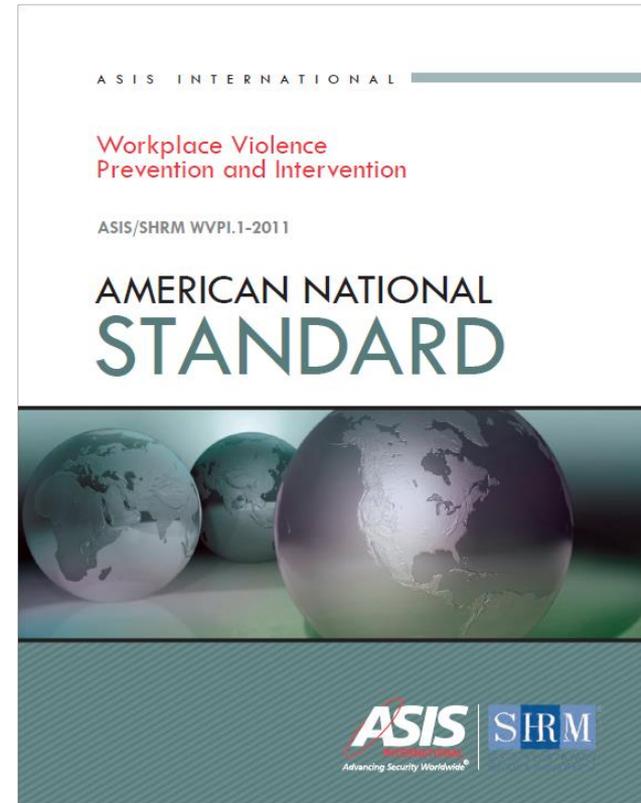
## EXAMPLES OF TERRORISM ATTACKS IN OR NEAR WORKPLACES

- December 2014: 18 people held hostage in Sydney café.
  - Hostages included eight employees and 10 customers.
  - Café manager and one customer killed.
- November 2015: 130 people killed in Paris bombings and shootings.
  - 89 people killed inside a theater.
  - Others shot in or near restaurants and bars.
- December 2015: 14 people killed in San Bernardino.
  - Shooting during a training session and holiday party for a public health department.
  - One shooter was a departmental employee.
- March 2016: More than 30 people killed in Brussels bombings.
  - Airport and subway stop targeted.
- Shift in terrorists' focus away from infrastructure toward “soft” targets with less stringent security.

# VIOLENCE IN THE WORKPLACE

## EMPLOYERS' RESPONSIBILITIES

- ASIS/SHRM National Standard includes five key areas:
  - Defining workplace violence.
  - Warning signs.
  - Reporting.
  - Domestic violence.
  - Extreme violence.



# VIOLENCE IN THE WORKPLACE

## BUILDING WORKPLACE VIOLENCE PREVENTION PROGRAMS

### Readiness:

- Policy/plan development.
- Facility analysis.
- Training and education.

### Response:

- Threat management teams.
- Working with law enforcement.
- Crisis management.

### Recovery:

- Crisis management.
- Outside assistance.

# VIOLENCE IN THE WORKPLACE

## INITIAL ASSESSMENT PROCESS

1

### Defining the workplace

- Permanent/temporary locations.
- Buildings, perimeters, parking lots, and other structures.
- Vehicles.

2

### Employer policies

- Badging.
- Employee conduct.
- Reporting.

3

### Security survey

- Evaluation of access controls.
- Parking lots, sidewalks, etc.
- Lighting.

4

### Employee questionnaire

- Attitudes toward workplace violence.
- Tailored to specific departments.

# VIOLENCE IN THE WORKPLACE

## KEY STAKEHOLDERS



# VIOLENCE IN THE WORKPLACE

## BUILDING A PLAN

- 1** Violence prevention and response plans.
- 2** Threat assessment / response team.
- 3** Supervisor / employee training.
- 4** Responding to human needs after violent incidents.

# VIOLENCE IN THE WORKPLACE

## PREVENTING BULLYING AND VIOLENCE

- Workplace conduct policies should define acceptable and unacceptable behaviors.
- Policy should apply to in-person and email/social media interactions.
- Policy must be supported by leadership and include:
  - Confidential reporting process.
  - Investigative process as needed.
  - Dispute resolution with HR assistance.
  - Trigger employee discipline if necessary.
- Ultimate goal: Stop prohibited behaviors early.

### Prohibited Behaviors (Sample List)

- Shouting/screaming.
- Vulgar language.
- Shaming speech.
- Hate speech.
- Discussion/use of weapons.
- Pushing/shoving.
- Sabotage of coworkers.
- Stealing from coworkers.
- Practical jokes.

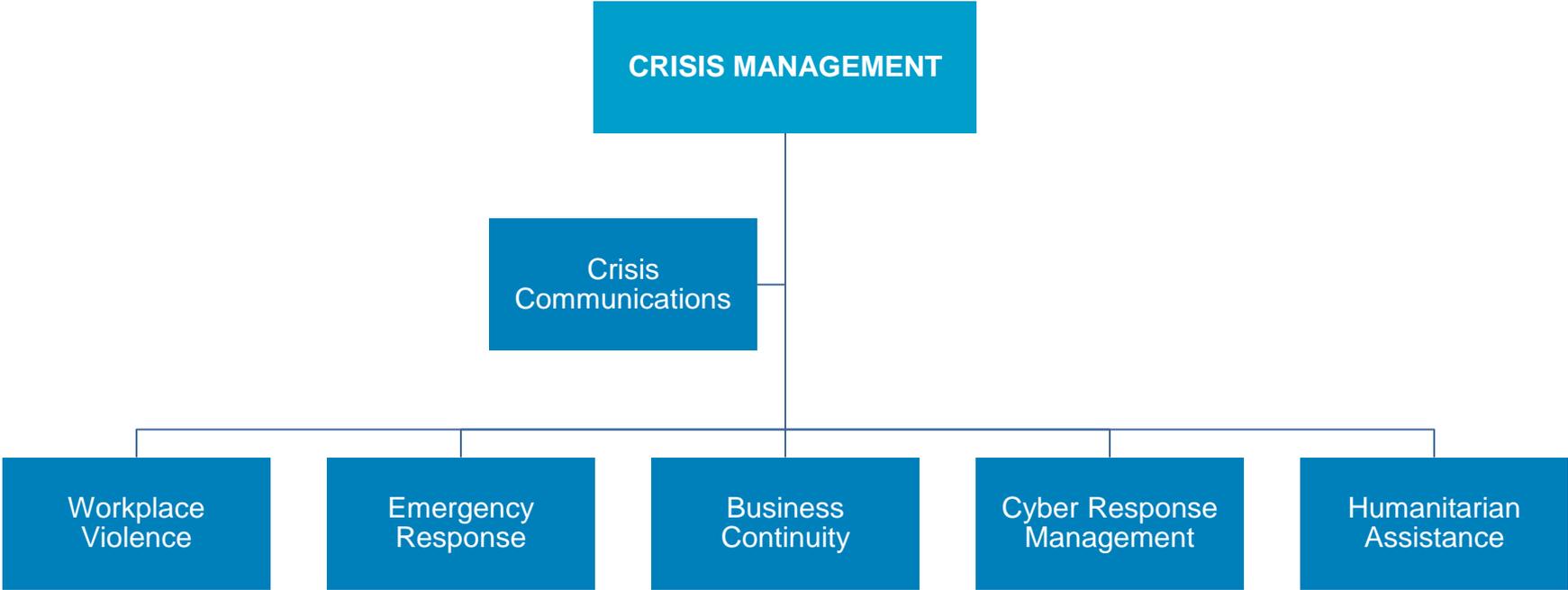
# VIOLENCE IN THE WORKPLACE ROADMAP TO COMPLIANCE

## STRATEGIC APPLICATION



# VIOLENCE IN THE WORKPLACE

## CRISIS MANAGEMENT'S ROLE IN THE ORGANIZATION



# VIOLENCE IN THE WORKPLACE

## HOW A CRISIS MANAGEMENT TEAM OPERATES

- “Core” team should include representatives of major functional areas.
  - Legal.
  - Finance.
  - Human resources.
  - Communications.
  - Operations.
- Other ad hoc team members could be involved depending on specific situation.
- Meetings may be virtual or off-site, depending on nature of crisis.
- Meet-break-meet approach.
- Allows for coordinated, structured decision-making.
- No crisis will resemble normal, daily operations.

# VIOLENCE IN THE WORKPLACE

## BUILDING A CRISIS MANAGEMENT PLAN

1. How crisis management applies to your organization.
  - What constitutes a crisis?
  - Which senior leaders need to be included?
2. Organizational structure.
  - Determine how individual departments will integrate with crisis management plan.
3. Crisis management team.
  - Core group, including leader.
  - Ad hoc members.
4. Plan thresholds/triggers.
  - Single standard for reporting of crises.
5. How crisis management team will function.
  - Activation process.
  - Meeting approach.
6. Ensure ongoing capability maintenance.
  - Training and regular tabletop exercises.

# VIOLENCE IN THE WORKPLACE INSURANCE CONSIDERATIONS

- Crisis response insurance.
  - Endorsements for similar coverage may exist in D&O and excess casualty policies.
- Workers' compensation.
- Commercial general liability.
- Property insurance/business interruption.
- Specialty active shooter/active assailant insurance policies.

# VIOLENCE IN THE WORKPLACE TERRORISM INSURANCE OPTIONS

## STANDALONE PROPERTY TERRORISM INSURANCE

- Covers broad range of acts of terrorism as defined in policy.
- Does not rely on US government certification.
- Can cover locations inside and outside the US.

## TRIPRA\* COVERAGE VIA “ALL- RISK” PROPERTY POLICY

- Covers acts of terrorism in the US only.
- Requires certification by government (\$5 million threshold).
- Federal reinsurance trigger:
  - 2016: \$120 million.
  - 2017: \$140 million.
  - 2018: \$160 million.
  - 2019: \$180 million.
  - 2010: \$200 million.

\*Terrorism Risk Insurance Program  
Reauthorization Act of 2015

## TERRORISM COVERAGE VIA CAPTIVE INSURER

- Potentially superior pricing.
- Flexibility in policy language and terms and conditions.

# VIOLENCE IN THE WORKPLACE

## TERRORISM AND POLITICAL VIOLENCE INSURANCE OPTIONS

### What's Covered by Terrorism, Political Violence, and Political Risk Insurance?



#### Acts of Terrorism

Whether committed for political, religious, or ideological purposes



#### Political Instability

Rebellion, insurrection, revolution, mutiny, coup d'état, civil war, war, strikes, riots, civil commotion, and forced abandonment



#### Government Actions

Expropriation, nationalization, currency inconvertibility, seizure/destruction, and confiscation



#### Business Interruption

Increased expense and physical damage loss

Terrorism



Political Violence



Political Risk



Typically covered



May be covered, depending on policy specifics



Typically not covered



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