

MARSH RISK CONSULTING

PREPARING FOR WORKPLACE VIOLENCE



The headline-grabbing incidents are relentless — a steady stream of violent events erupting in offices, industrial environments, shopping centers, schools, health and government facilities, and elsewhere. Workplace violence is unpredictable and difficult to anticipate. In addition to the personal safety issues for staff, customers, and others, implications for businesses range from reputational harm to financial loss.

Nearly two million American workers report having been victims of workplace violence each year. Furthermore, of the 4,679 fatal workplace injuries in 2014, 403 were workplace homicides, according to the Bureau of Labor Statistics (BLS). The National Institute for Occupational Safety and Health (NIOSH) estimates the annual economic cost of workplace violence nationwide to be approximately \$121 billion. This figure includes lost productivity, legal expenses, property damage, reputational damage, and increased security costs.

Violent workplace incidents do not always involve weapons nor are they always worker-on-worker. More often, it's verbal abuse and physical attacks on employees by customers, patients and their families, or external perpetrators, for example, triggered by dissatisfaction with services rendered or personal issues. These types of workplace violence, especially in the retail and hospitality sectors, also may occur in the course of a robbery or theft. Employee-on-employee workplace violence, on the other hand, may be attributed to stress or job performance issues.

KEY CHALLENGES

Employees in all industries face the risk of on-the-job violence from criminals, customers, guests, family members, and even fellow employees. Among the many challenges to mitigating workplace violence are:

Job Environment: Workers who exchange money with the public, work where alcohol is served, deal with volatile or unstable people, or work in stress-filled environments are typically at higher risk of workplace violence. Time of day, location, and emotional factors not related to the workplace itself are other potential risks that can trigger a workplace violence event.

Complex Properties: The complexity of a building's layout and infrastructure or ease of public access can make incident management challenging. Unfortunately, facility owners and managers are often reactive instead of proactive when dealing with workplace violence. They need to develop preparedness plans that encompass all areas of risk exposure — and more importantly, recovery.

The Aftermath: From emotional and psychological impacts to injuries or deaths, workplace violence can lead to days off work, long-term health care costs, workers' compensation costs, liability insurance claims, litigation, business interruption-related expenses, and more.

OSHA REGULATIONS

Under the Occupational Safety and Health Act of 1970, "Each employer shall furnish to each of his employees a place of employment which is free from recognized hazards that are causing or likely to cause death or serious physical harm."

This duty includes all forms of work-related violence, defined as "any incident in which a person is abused, threatened or assaulted in circumstances relating to their work." That can encompass both physical violence — kicking, spitting, hitting, or pushing, as well as more extreme violence with weapons — and verbal abuse — shouting, swearing or insults, racial or sexual abuse, threats, and intimidation.

In a workplace where the risk of violence is significant enough to be a "recognized hazard," the Occupational Safety and Health Administration (OSHA) requires employers to take steps to minimize those risks. Failure to do so could result in an OSHA citation, legal claims for negligence or emotional distress, and lawsuits against breach of contract.

STEPS TO TAKE

Your organization should have a comprehensive plan to identify problems early and address them. Prevention, though not always possible, is the goal. If you don't have the right tools and protocols in place to help identify and resolve threats early, you face an increased risk for workplace violence.

Here are some basic tactics to include not only in your workplace violence plan, but in your overall organizational resilience program:

- Educate all employees about the range of workplace violence issues they may encounter, communication channels, and related policies and procedures.
- Train employees on how to use alarms, locks, or other alert and safety features.
- Ensure that employees and others understand their roles and those of on-site security and law enforcement.
- Plan ahead at all locations so that preparedness and response plans are integrated.
- Ensure effective communication within/between locations and key stakeholders, including law enforcement and the community.
- Account for employee and victim assistance in response plans.

- Respond promptly to manage impacts and consequences effectively.
- Assess whether your plans comply with federal and state regulations and meet post-incident reporting obligations.
- Review your insurance coverage and work with advisors to ensure it is adequate.

HOW MARSH CAN HELP

A workplace violence incident can be a terrifying prospect for any organization. Marsh can provide a wide range of workplace violence prevention solutions. As a global leader in insurance broking and risk management, we take a holistic approach to helping protect our clients' employees, customers/guests, reputation, and bottom lines.

We can develop an integrated strategy designed to help you:

- **Educate** your organization on the need to prepare for and mitigate the risks of workplace violence/active shooter incidents.
- **Build** an end-to-end plan that includes risk assessments and addresses incident prevention/mitigation, risk transfer, post-event business interruption and reputation management, and claims management.
- **Drive** comprehensive plan implementation in the event of a violent incident.
- **Protect** your staff, brand, and bottom line during and following an incident.

Marsh Workplace Violence Risk Solutions

- Analytics and assessments of workplace violence risk exposures and insurance program adequacy, including workers' compensation, general liability, umbrella/excess, and property insurance.
- Evaluation of existing workplace violence prevention programs and related policies, identification of gaps, and improvement recommendations.
- Evaluation of existing employee assistance programs and behavioral services available for employees, and other HR programs that provide training for workplace conflict resolution and de-escalation training.
- Preparation of tailored workplace violence prevention policies and programs.
- Organizational resilience, including the development of integrated crisis management, emergency response, and business continuity plans.
- Senior management, supervisor, and employee risk assessment and situational awareness training.
- Real-time crisis response and reputational risk management.
- Casualty claims assessments, management, and closure support.
- Forensic accounting and claims management for insurance recovery purposes.
- Post-event assessments and continuous improvement.

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For more information on these and other solutions from Marsh Risk Consulting, visit www.marshriskconsulting.com or contact your local MRC or Marsh representative.

Marsh is one of the Marsh & McLennan Companies, together with Guy Carpenter, Mercer, and Oliver Wyman.

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