

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.

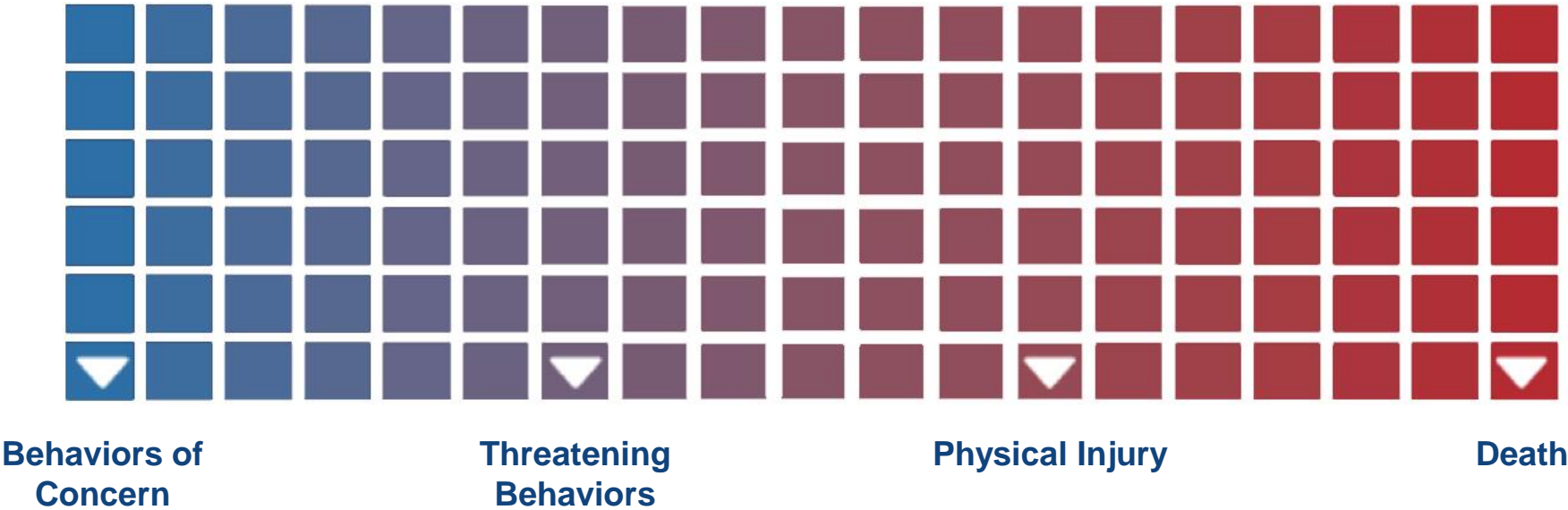
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WORKPLACE VIOLENCE RISK FACTORS

- 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.

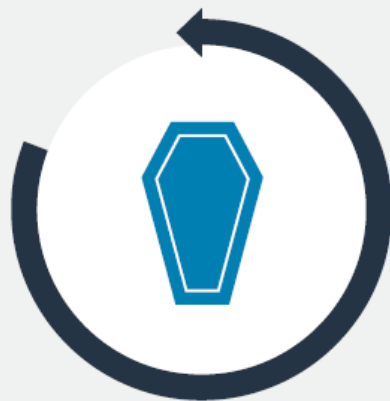
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THE WORKPLACE VIOLENCE SPECTRUM



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

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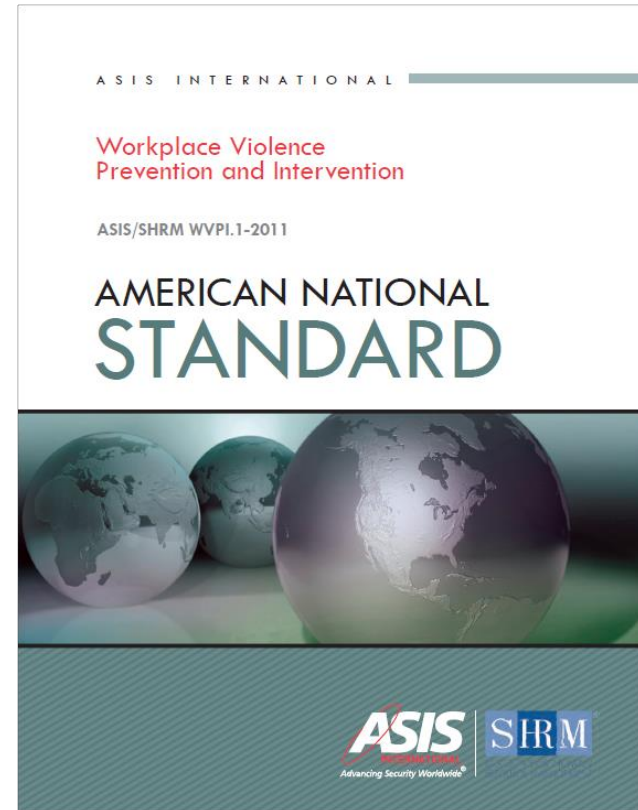
EXAMPLES OF TERRORISM ATTACKS IN OR NEAR WORKPLACES

- 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.



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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.

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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.

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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.

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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.

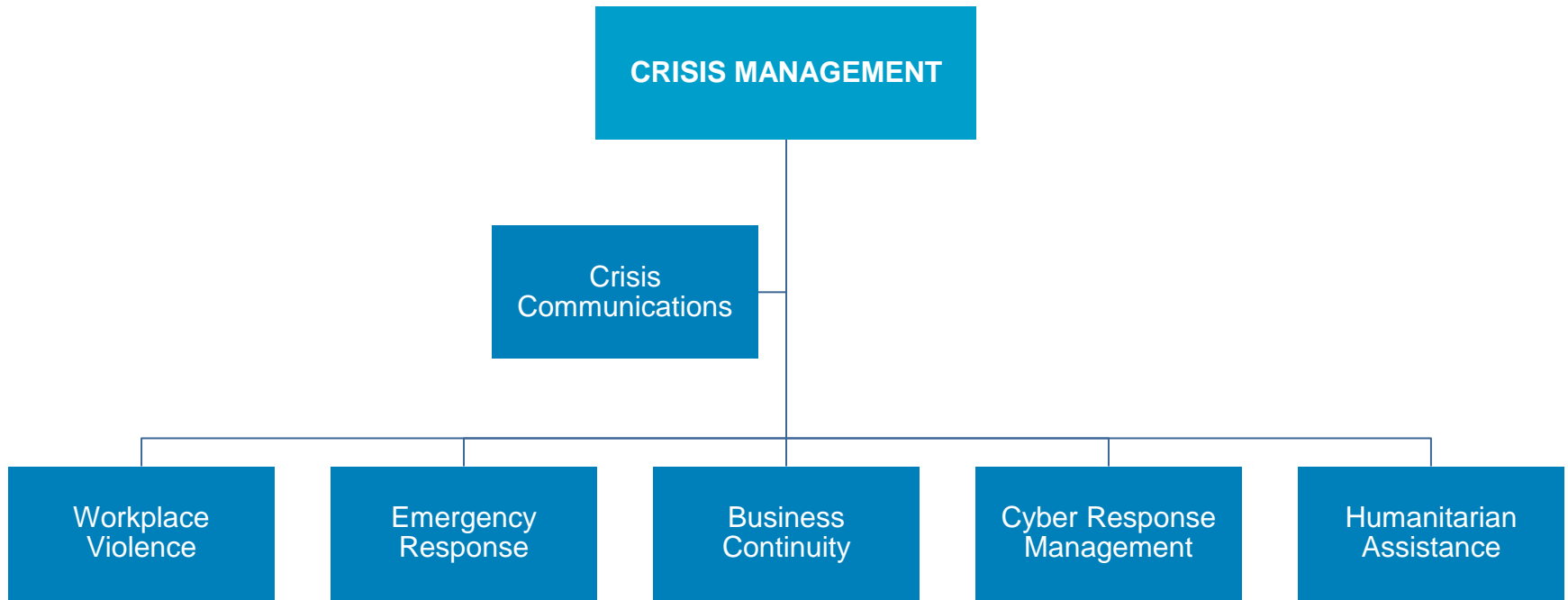
VIOLENCE IN THE WORKPLACE ROADMAP TO COMPLIANCE

STRATEGIC APPLICATION



VIOLENCE IN THE WORKPLACE

CRISIS MANAGEMENT'S ROLE IN THE ORGANIZATION



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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.

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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.

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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.

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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

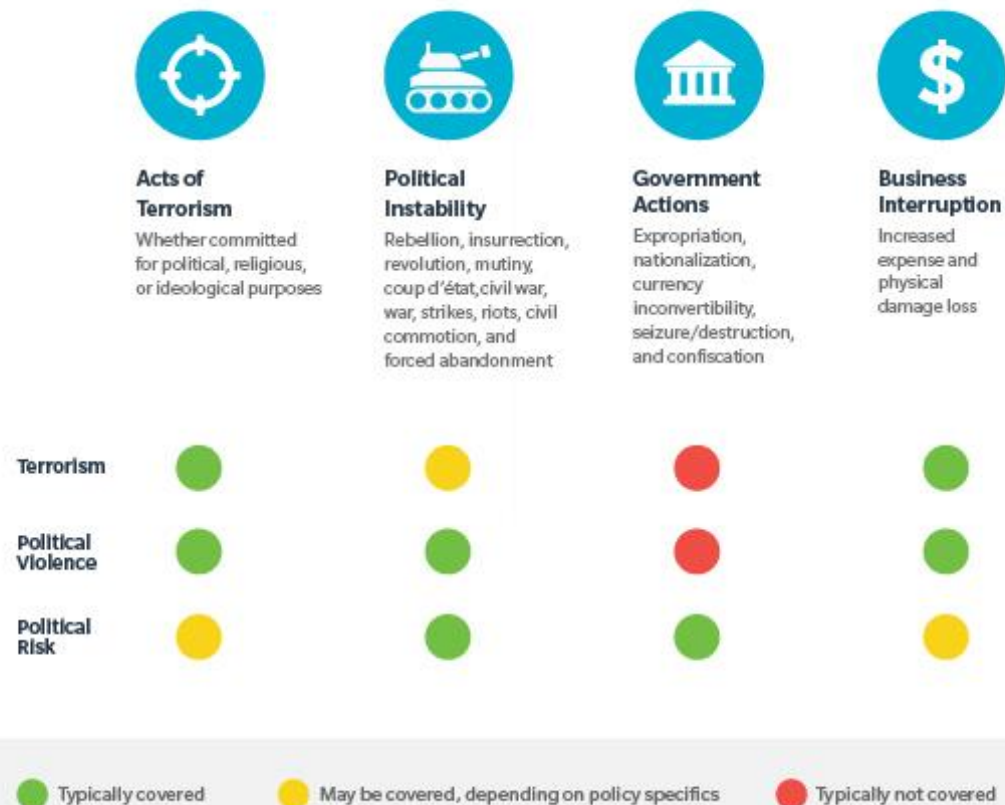
TERRORISM COVERAGE VIA CAPTIVE INSURER

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

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TERRORISM AND POLITICAL VIOLENCE INSURANCE OPTIONS

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





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