

# MARSH RISK CONSULTING

## PREPARING FOR WORKPLACE VIOLENCE IN THE RETAIL AND RESTAURANT INDUSTRIES



The headline-grabbing incidents are relentless — a steady stream of violent events erupting in US retail and restaurant workplaces. Violence in such locations is unpredictable and difficult to anticipate. In addition to personal safety issues for staff and customers, implications for businesses range from reputational harm to financial losses.

Retail workers comprise 9% of the US workforce, yet they account for 13% of all workplace violence incidents and 27% of all workplace homicides, according to the US Bureau of Justice Statistics. This places retail third-highest after law enforcement and mental health professionals in the rate of workplace violence victimization.

Such incidents do not always involve weapons, such as knives or firearms, or crowds jostling for a sale item or the special of the day. They may involve verbal abuse and physical attacks by customers on employees, triggered by dissatisfaction with services rendered or personal issues. Employee-on-employee workplace violence, on the other hand, is often attributed to stress, job performance issues, or bullying. In retail settings, shoplifters, criminals, and disgruntled customers are often the instigators of workplace violence.

Restaurants have similar exposures. In addition, the presence of alcohol may aggravate situations in restaurants. In recognizing the significant workplace violence risks that restaurants face, the Occupational Safety and Health Administration (OSHA) has created a section dedicated to preventing workplace violence in its Young Worker Safety e-tool.

Although less frequent, active shooter incidents can have a devastating impact on a retail or restaurant organization. The indiscriminate targeting that characterizes these events generally brings numerous non-fatal and fatal injuries and can lead to physical, reputational, and financial damage.

## KEY CHALLENGES

While nearly two million American workers report having been victims of workplace violence each year, retail and restaurant employees are at particularly high risk. Among the many challenges to mitigating workplace violence in retail and restaurant settings:

**Location:** Stores and restaurants dot the American landscape. Their ubiquity can make them breeding grounds for violent incidents, due in large part to their easy public access and the constant personal interactions that take place in these locations.

**Working hours:** Late-night retailers such as liquor stores, convenience stores, and gas stations often are at the highest risk, according to OSHA. Problems can be compounded at the many locations that have poorly lit parking lots and/or are run by lone workers.

**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.

Owners and managers need to prepare their employees to both prevent and properly respond in the event of a workplace violence situation.

## OSHA REGULATIONS

OSHA requires that "Each employer shall furnish to each of his employees employment and a place of employment which are 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," 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.

Recognizing the seriousness of the issue for retailers, in 2009 OSHA published guidance in the form of its *Recommendations for Workplace Violence Prevention Programs in Late-Night Retail Establishments*, which provides insights into the risks facing workers and guidance for businesses.

## 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. And should an incident occur, having an effective, well-practiced plan in place can help mitigate the damage. If you don't have the right tools and protocols in place to help identify and resolve potential or real threats early, you face an increased risk for workplace violence.

Here are some basic tactics to include in your workplace violence plan, as well as 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, and 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 communication within and between locations and key stakeholders, including law enforcement and others in 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 assess whether it is adequate.

## HOW MARSH CAN HELP

A workplace violence incident can be a terrifying prospect for any retail or restaurant 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 retail and restaurant clients' staff, customers, 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](http://www.marshriskconsulting.com) or contact your local MRC or Marsh representative.

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