

Preventing workplace violence – we can't afford not to

No one knows the real costs of work-related violence, and a devastated life has no price. But workers, employers and society as a whole have every interest in reducing violence at work.

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Violence at work is now an alarming phenomenon worldwide. The extent of the problem has only recently become known. In fact, there is some evidence that we are still underestimating it.

Violence can be physical or psychological. It can come from colleagues and acquaintances as well as strangers. Teachers can be threatened by their students and patients can attack nurses or carers. Passengers caught without tickets may aggress railway staff and someone denied benefits may take it out on the civil servant who has to give them the news.¹

Negative effects of violence at work may be observed at a personal and an organizational level, as well as in society as a whole. These negative effects may be economic or non-economic, financial and/or human. The costs may be a direct result of violence at work or an indirect consequence of it. Although any estimation of costs would have to be somewhat vague, due to the lack of available data, to different recording practices and to variations in wages and benefits worldwide, existing figures and studies clearly show the potential cost of violence at work.

Consequences of workplace violence at the individual level

It goes without saying that the consequences of violence at work are mainly endured by the individual – the worker

– both in terms of financial losses and in human costs.

Physical attacks are obviously dangerous, and easier to identify than verbal abuse or threats, but persistent psychological or verbal abuse or threats can also harm health, often through anxiety and stress. Post-traumatic symptoms such as fear, phobias and sleeping difficulties may arise. In extreme cases, post-traumatic stress disorder can occur. Violence causes enormous pain and suffering, and sometimes even disability or death. Statistics from the Norwegian National Association against Mobbing at Work (*Landsforeningen mot mobbing på arbeidsplassen, Lmm*)² show that more than 100 people in Norway commit suicide every year because of mobbing at work. This figure is thought to equal the number of deaths from work-related accidents.

Lmm's definition of mobbing is "... when one or several persons in a given work environment constantly and over time are exposed to negative reactions and acts from one or several individuals in the same work environment...". It adds that "sexual harassment is also mobbing".

It does not take an expert to see the relation between work-related violence and the health problems that often follow. Negative effects from, for instance, psychological violence – mobbing and harassment – can also have an impact outside the workplace sphere, on the person's family life, and can in turn create family problems.

The most important areas to consider, as far as “economic costs” are concerned, are loss of income as a result of absence due to sickness, and expenditure on health care and medical consultations and treatment. Depending on the compensation systems in the country, and whether the loss of income is covered by the employer or by the State (or a combination of the two), the worker may receive anything from full compensation to hardly any compensation at all.³ The table below⁴ gives an overview of sick leave payments, as a percentage of earn-

ings, in a few selected European countries, plus Australia and the United States.

Sick leave payments in most countries decrease after more than three months’ absence, leading to substantial reductions of income.

In developing countries, where social security systems are very often less favourable, sick leave has an enormous impact not only on the affected employee, but also on his/her family. Women, who are more likely to be working part-time, are also more severely affected by cuts in already low income.

Table 1. Sick leave payments, as a percentage of earnings, 2000

	At 1st day	At 2nd day	At 3rd day	At 10th day	At 20th day	At 50th day	At 100th day	Total valuation of generosity of sick leave pay
Austria	100	100	100	100	100	100	50	low
Belgium	100	100	100	100	100	60	60	high
Finland	70	70	70	70	70	70	70	medium
Germany (2001)	100	100	100	100	100	70	70	high
GDR (1988)	90	90	90	90	90	50	50	high
Luxembourg	100	100	100	100	100	100	100	high
Netherlands	70	70	70	70	70	70	70	medium
Portugal	0	0	0	65	65	65	65	low
Sweden	0	80	80	80	80	80	80	medium
United Kingdom	0	0	0	Not calculable per day; upper limit at about 50 per cent of average income.				low
Norway	100	100	100	100	100	100	100	high
Switzerland	0	0	0	According to enterprise or branch specific contract.				low
Czech Republic	50	50	50	69	69	69	69	medium
Hungary	80	80	80	80	70	70	70	medium
Slovakia	70	70	70	90	90	90	90	medium
Poland	80	80	80	80	80	80	80	medium
Australia	Not calculable per day; upper limit at about 50 per cent of average income.							low
United States	0	0	0	60	60	60	60	low

Notes: *Germany*: Figures in the table relate to new regulations in force since January 1999. In the preceding period, from October 1996 to December 1998, minimum sick leave payments were set at 80 per cent. This was, however, raised to 100 per cent under several enterprise-level and sectoral collective agreements. *United States*: Regulations differ between states and even counties. The table contains plausible medium-range values. Start of sick leave payment is often only at the 8th day of sickness. More generous regulations are found in the public services. *France* and *Canada* have been omitted here due to missing or implausible data.

Sources: *Social Security Programs Throughout the World*, US Government; MISSOC database of the European Commission; Ifo Country Data Research; Re-calculation of the data, presentation and valuation: Ifo Institute for Economic Research, Munich.

On top of the income losses, there are the bills for the patient's share of consultation fees, medicines and hospital treatment.

Consequences of workplace violence at the organizational level

Several factors have to be considered when assessing the cost of violence at work to the organization:

- increased sickness absenteeism and early retirement costs
- increased turnover rates and replacement costs
- reduced productivity, damage to production or equipment
- costs in connection with grievances and litigation.

Sickness absenteeism

Increased sickness absenteeism not only affects the worker, through reduced or lost income, but also the employer, who has to pay part of the sickness benefits. Here, systems vary between countries, with employers' contributions ranging from 100 per cent of sick pay costs, either directly or indirectly through insurance schemes, to a share of the sick pay, with the rest covered by national social security schemes. It is worth noting that, regardless of the scheme in operation, there will be additional administrative costs to be borne by the employer.⁵ The bill for this may be higher if nothing is done to prevent violence at work. In Britain, according to the Trades Union Congress (TUC),⁶ more than 3 million working days are lost due to violent incidents at work every year. The cost to industry of this lost time, lost production and compensation must run into hundreds of millions of pounds. The Third European Survey on Working Conditions, based on 21,500 face-to-face interviews with workers throughout the European Union in 1996, also showed that health-related absenteeism increases when there is violence in the workplace:

- 35 per cent of workers exposed to physical violence had been absent from work over the last 12 months.
- 34 per cent of workers exposed to bullying had been absent from work over the last 12 months.
- 31 per cent of workers exposed to sexual harassment had been absent from work over the last 12 months.

Increased turnover rates and replacement costs

When victims of work-related violence are absent from work for longer periods, employers have to find solutions to fill their posts. This may result in extra workloads for the existing staff or in the hiring of new staff. Training either of existing staff or of new staff entails extra costs. Administrative costs for hiring new staff would also have to be considered (advertisements, selection procedures, testing, interviews, etc.).

According to a country case study from South Africa,⁷ the cost of replacing a professional there can be anything from 25,000 to 45,000 Rand (1US\$ = 6.88 Rand in November 2003). Other expenses include exit packages because of ill-health, early retirement, and legal costs (the cost to the private sector in the past year alone, with 1,578 conciliation hearings and compensation costs, could run into millions of Rand). Absenteeism and treatment for physical violence in the workplace probably cost hundreds of thousands of Rand, if not millions.

Reduced productivity, damage in production or equipment

The ILO report *The cost of violence/stress at work and the benefits of a violence/stress-free working environment*⁸ cites a recent national survey of workplace bullying in the United Kingdom. Hoel & Cooper asked participants to assess their own current performance as a percentage of their full working capacity.

Table 2. Workplace bullying in the United Kingdom – reduced work performance

	Performance as percentage of working capacity	Productivity shortfall %	Difference in productivity between bullied/not bullied %	Percentage of workforce being bullied
Currently bullied	85	15	7 (15 – 8)	25
Bullied in the past	88	12	4 (12 – 8)	25
Witnessed bullying	90	10		
Not bullied/witnessed bullying	92	8		

The results indicated that the “currently bullied” group experienced a 15 per cent fall in productivity, while those who had “neither bullied nor had witnessed bullying” had a drop of 8 per cent. In other words, the productivity shortfall for the “currently bullied” group was almost twice as great as for those who were neither bullied nor had witnessed bullying. Moreover, those who had been bullied in the past five years showed a 12 per cent drop in productivity. A quarter of the respondents said they were currently being bullied or had been bullied within the past five years. It may thus be inferred that bullying causes a 4-7 per cent loss of productivity in 25 per cent of employees. Another study, by the University of Bergen in Norway, indicates that 80 per cent of those affected by mobbing and harassment at the workplace will sooner or later have their work productivity reduced.⁹

Grievance and litigation costs

Costs in connection with grievances and litigation depend to a great extent on the different practices in the countries concerned. Where compensation claims and litigation in connection with workplace accidents and disease are common, such costs can be considerable. However, for every case which may end up in court, there is likely to be a large number of grievances which are resolved at the level of the organization.¹⁰ In August 2003, a Danish transport company was sentenced to pay

50,000 Danish kroner (US\$1 = DKR6.35 in November 2003) to a trainee after he had become sick because of extreme mobbing and bullying by his colleagues at work. He received disparaging remarks about his physical appearance, and his tool-kit was filled with garbage. According to the Danish Metal Workers’ Union (Dansk Metal), the intolerable situation at the workplace caused anxiety symptoms and dizziness in the trainee and he was obliged to take sick leave.¹¹ After three months of sick leave, he cancelled his contract and left the company.

Situations like this may have a negative impact on an organization, by tarnishing its image and making it difficult for the organization to recruit new staff.

Consequences of workplace violence for society

In the end, we all pay for the negative effects of violence at work – whether it is through deteriorated relationships with family, friends and colleagues or through higher taxes to cover state-financed health care, rehabilitation costs, unemployment and re-training costs for victims. Workplace violence may also increase the level of fear and anxiety in society.

A study from South Africa on workplace violence in the health sector¹² shows that there was a general feeling of unhappiness after an incident of physical violence, and the quality of services dropped. Psychological violence causes tension and less

caring attitudes towards patients. It has a detrimental influence on the patient/carer relationship.

The fact that health workers are known to be particularly at risk of workplace violence, with almost one-quarter of all violent incidents at work concentrated in this sector, is a cause for concern.¹³ We may assume that similar quality drops occur in other important sectors as well, as for instance in the education sector. The teacher/student relationship will have an important impact on the quality of the education our children receive.

A high level of workplace violence may ultimately cause staff to leave for other countries. South African health care workers, often disillusioned by the high level of workplace violence, tend to seek pastures new. This type of “brain drain” could lead to shortages of employees in specific sectors, which could have a negative impact on the countries concerned.

Prevention pays

Most people spend more than one-third of their adult life at work, and it is obvious that the work environment has an enormous impact both on their working life and on their family life. This is a question not just of diseases and injuries but of the total work environment. It is also about how our health as workers affects our families and our communities. If a person’s work environment is healthy and safe, that person tends to have a higher degree of satisfaction, a better relationship with colleagues and management and higher effectiveness and productivity than a person suffering from poor working conditions.

Even though it is difficult to estimate the exact cost of violence at work, it is clear that the figures are high and that it is in the

interests of all parties to solve the problem. In order to prevent and reduce violence at work, some measures have already been taken at the workplace, sectoral, national and international levels. The article by Luc Demaret in this issue of *Labour Education* highlights some of the good practice developed by trade unions in this field. The article by Ian Graham as well as the article on the ILO code of practice outline some legislative measures. They all show that, in the long run, prevention always pays.

Notes

¹ *Know your rights: Tackling violence at work*, TUC Online, http://www.tuc.org.uk/tuc/rights_violence.cfm

² *Stopp jobb-mobben*, Landsforeningen mot mobbing på arbeidsplassen (Lmm), September 2002.

³ *The cost of violence/stress at work and the benefits of a violence/stress-free working environment*, ILO, Helge Hoel, Kate Sparks and Cary L. Cooper, University of Manchester Institute of Science and Technology.

⁴ CESifo/DICE, http://www.cesifo.de/pls/diceguest/download/F5614/SICK_per_cent2DLEA_per_cent2DPAY.PDF

⁵ See note 3.

⁶ See note 1.

⁷ *Workplace violence in the health sector, country case study: South Africa*, Susan Steinman, ILO, IGN, WHO, PSI, 2003, http://www.icn.ch/SewWorkplace/WPV_HS_SouthAfrica.pdf

⁸ See note 3.

⁹ *Berusende Mobbing*, Norwegian Labour Inspection Authority, <http://www.arbeidstilsynet.no/publikasjoner/arbeidervern/art52.html>

¹⁰ See note 3.

¹¹ *Metal vinder første sag om mobning*, Dansk Metal, 26 August 2003, <http://www.danskmetal.dk/sw9910.asp>

¹² See note 7.

¹³ *Workplace violence in the health sector, country case studies, Brazil, Bulgaria, Lebanon, Portugal, South Africa, Thailand and an additional Australian study*, ILO Synthesis report by Vittorio di Martino, <http://www.ilo.org/public/english/dialogue/sector/papers/health/violence-ccs.pdf>