

Industry Update

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Risk Management Innovation from SRS

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Winning the Battle Against Workplace Violence

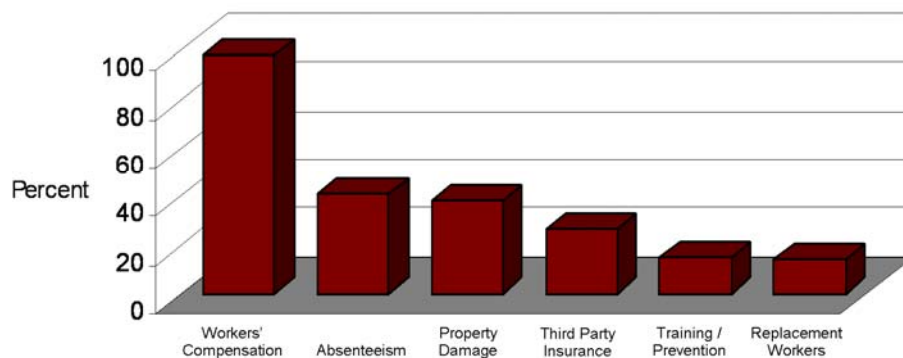
Violence in this country continues to increase in epidemic proportions. Just look in the paper, watch the news, and you see the reality of increasing violence in this country. As the world economy continues to ebb and flow from prosperity to despair, every individual reacts in a unique way to their personal and professional challenges. Violence in the workplace is of significant interest to employers today. Increasingly, both legislative and judicial branches are now holding employers accountable for failure to take proper action to prevent workplace violence, or to assist employees in recovering from it.

Understanding Risk Factors

Workplace violence can take many forms including but not limited to beatings, stabbings, shootings, suicides, intimidation, psychological traumas, threats, obscene phone calls, and harassment. Risk factors include workplaces that provide contact with the public, an exchange of money, the delivery of passengers, goods and/or services, and mobile workplaces such as taxicabs.

Working alone, working in high crime areas, working late at night or during early morning hours, can also increase

Percent of Costs Incurred for Incidents of Workplace Violence



Source: Bureau of Labor Statistics

There are analytical challenges in identifying workplace violence incidence as data is scattered, the economic impact is difficult to quantify, and the definition of "at work" can be rather blurry. Per OSHA, an employers duty is to furnish a workplace free from recognized hazards that are causing or likely to cause death or harm to employees. Employer liability can occur when the employer does not act to prevent or eliminate known threats.

the risk of incidence of workplace violence.

The Costs Add Up to More Than Just Money

The cost to employers of workplace violence is equally difficult to capture and quantify. Lost productivity is frequently underestimated, but is believed to be up to 80% for the 2 weeks immediately following the incident. According to a study



Did you know?

- On average 1.7 million people are victims of violent crime each year ⁽¹⁾
- 1.3 million (75%) of these incidences were simple assaults ⁽¹⁾
- Majority of workplace homicides (77%) result from robberies ⁽²⁾
- One in four employees (25%) will be victimized by workplace violence ⁽²⁾
- Each day, 16,400 threats are made, 723 workers are attacked, and 43,800 workers are harassed ⁽²⁾

(1) Bureau of Justice Statistics

(2) Workplace Violence Research Institute

For additional statistics on workplace violence, visit:

www.bls.gov

www.osha.gov

www.cdc.gov/niosh



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released by the National Council on Comprehensive Insurance (NCCI), workers' compensation claims related to workplace violence have the second highest cost per claim, behind motor vehicle accidents. This is due to the physical and psychological impact on all individuals in, near or around the incident. There are clearly costs that are applicable to workers' compensation such as disability payments for time away from work and medical and psychiatric care, but there are other costs to employers such as higher insurance rates, physical damage repair and clean-up, bad public relations and potentially increased media scrutiny, additional security post-incident, decreased morale and productivity, actual or perceived decreased safety, resultant turnover and potential litigation.

Protecting Workers from Violence

Key to protecting workers from violence is the support of senior management, solid hiring practices and firing procedures, and employee education. First, employers need to establish a policy around workplace violence that is well known and implemented by departments such as risk management, security, and facilities. Second, the policy must outline what is covered including weapons policy, restraining orders, reporting of problems and/or incidents and the consequences of violating the policy. And lastly, the policy must define who is covered. Full and part time employees are usually a given, but what about vendors who work regularly at any of the employers locations? Having a Violence Prevention Program in place can eliminate confusion and help streamline the steps needed to ensure that affected employees receive care and return to work quickly.

Taking Appropriate Action

Strong leadership is imperative in a time of crisis. Immediate and clear communication is vital to avoid rumors, reduce anxiety and return a sense of order to the workplace. The communication should be compassionate and management should be prepared to answer questions honestly and swiftly. Depending upon the severity of the incidence, the company may also consider retaining a transition specialist to provide

employees with continued emotional support and informational resources.

Business recovery and continuity cannot occur without the right mindset of the people in the organization. They all must be healthy in order to be fully productive. All employees must be confident in their leadership, and their safety on the job and in the workplace. People are usually more resilient than they feel they are. Employers must facilitate the inherent resiliency of their workforce to ensure the short and the long term success of the employer and all of its' employees.

Although no single strategy is appropriate for every workplace, all workers and employers should assess the risk of violence in their workplaces and take appropriate action to reduce those risks.



Pam Rippens
Senior Vice President
Account Management

Pam Rippens has more than 20 years of property casualty claims experience specializing in Workers' Compensation. As Senior Vice President of Account Management, Pam is responsible for the development, implementation and maintenance of all account enhancement strategies and practices for SRS' book of business.

Ms. Rippens has held positions of increasing responsibility since starting with The Hartford as a claims adjuster in 1987. Previous to her current role, she was SVP of Field Operations, where she was responsible for the consistent and superior delivery of SRS' claim product and a staff of 1,500 claims and managed care professionals. She also served as Assistant Vice President of the Risk Management Underwriting Division, and as Regional Claim Service Director in Brea, Calif.

She was named as one of Business Insurance magazine's 2006 Women to Watch, and was featured in Risk Management magazine's Workers' Compensation Roundtable on Fraud. She has been a speaker at many local RIMS chapters and spoke on Legislative Reform at the 2008 RIMS National Conference in San Diego.

Ms. Rippens has a bachelor's degree in business administration and an M.B.A. from California State University, Fullerton. She holds an Associate in Risk Management designation.