

MARSH RISK CONSULTING

PREPARING FOR WORKPLACE VIOLENCE IN THE REAL ESTATE AND HOSPITALITY INDUSTRIES



The headline-grabbing incidents are relentless — a steady stream of violent events erupting in US shopping malls, hotels, resorts, office buildings, and other facilities. Violence in such locations is unpredictable and difficult to anticipate. In addition to the personal safety issues for staff, customers, guests, and others, implications for real estate and hospitality 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). In the real estate industry alone, approximately 40% of all workplace fatalities were attributable to workplace violence.

Violent incidents do not always involve weapons. More often, it's verbal abuse and physical attacks by customers or guests on employees, triggered by dissatisfaction with services rendered or personal issues. Employee-on-employee workplace violence, on the other hand, may be attributed to stress or job performance issues.

KEY CHALLENGES

Employees in shopping malls, hotels, and casinos face a high risk of on-the-job violence from criminals, customers, guests, and family members. Among the many challenges to mitigating workplace violence in such areas:

Location: There are about 50,000 shopping centers in the US, 1,200 of which are enclosed malls. These environments can be breeding grounds for violent incidents, due in part to open access and the numerous person-to-person interactions that take place in these locations each day.

Complex properties: When it comes to a major workplace violence event, the often complex layout and infrastructure of shopping malls, hotels, casinos, corporate parks, and apartment buildings can make incident management challenging. Unfortunately, building owners and managers are often reactive versus proactive when dealing with workplace violence. They need to develop preparedness plans that encompass all areas of risk exposure — and more importantly, recovery.

Communication: While individual tenants may have their own workplace violence prevention programs and related communications plans, they may not align with building owners' policies and procedures. This disconnect can impact properties, tenants, and victims alike — sometimes with fatal outcomes.

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 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," 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 real estate or hospitality 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 real estate and hospitality clients' staff, 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.

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