



# Productivity Gains from Workplace Protection of Victims of Domestic Violence

*Project commissioned by the PSA*

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## ***Productivity Gains from Workplace Protection of Victims of Domestic Violence***

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## Executive Summary

Domestic violence is a workplace issue. It is estimated to cost employers in New Zealand at least \$368 million for the June year 2014. If nothing is done, projections indicate that the total costs will be at least \$3.7 billion dollars when combined over the next ten years.

Employment is a key pathway out of domestic violence. The body of research about domestic violence over the past 30 years finds conclusively that staying in employment is critical to reducing the effects of violence. Security of employment enables those affected by domestic violence to maintain domestic and economic stability, in this way assisting them to find a pathway out of violence and to successfully re-build their lives.

Employers have the potential of productivity gains from implementing workplace protections that support victims of domestic violence. There is a growing body of evidence that suggests that as well as the potential for breaking the cycle of domestic violence, the introduction of workplace protections for people affected by domestic violence both saves employers costs (recruitment, retention, re-training, health and safety) and increases productivity.

The PSA commissioned this project to examine the impact of workplace protections on domestic violence victims, other staff and colleagues, the employer and overall productivity.

Experience in New Zealand to date indicates that there are barriers to the implementation of workplace protections. These barriers are due in part to current attitudes towards workplace Health and Safety training which can overstate the costs and understate the benefits from lower costs of recruitment, retention and retraining.

A framework has been developed for this project that specifies the determinants of these costs and then proceeds to calculate them. These include the costs to find a replacement worker and the average annual cost of training when a victim's employment is terminated by her employer. In 2014, \$153 million is estimated to be lost across the New Zealand workforce due to these two factors. This is an under estimation of the total cost of victims leaving their employment as the effect of women resigning their current job has not been taken into account.

For every woman whose experience of violence is prevented as result of the workplace protections in a particular year, an average of \$3,371 in production-related costs can be avoided. This number is conservative as outlined in the body of the report.

### Net Productivity Impact of Workplace Protection

These findings from the analysis of the impact of workplace protections on productivity are a wake-up call. The costs to employers as a result of domestic violence are already quite high and will continue to escalate without the implementation of preventative measures. In the absence of appropriate protections to address violence against employees, employers face disruption on the job and lost days of work. With appropriate protections, workplaces and employers can enhance victims'

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safety and help connect them with appropriate support services that lead them towards safer environments, thus enabling them to retain and develop their skills in the workplace. These factors increasingly empower victims to become self-reliant and confident employees. In combination with the reduction in disruption to staff, employers are able to achieve strong productivity growth.

### **RECOMMENDATIONS**

The way that the implementation of domestic violence specific workplace protections in the workplace lead to increased levels of production and productivity is set out by the framework, demonstrating that the value of this will offset the current (hidden) costs of domestic violence and the projected costs of the implementation of workplace protections. Based on the insights gained from the framework developed to examine the cost of workplace protections and the productivity gains, the recommendations are:

- To inform and seek acknowledgement by employers, unions and peak bodies that domestic violence is a work issue with impacts that are potential workplace hazards which also generate costs of recruitment, retraining and retention
- That employers create and implement tailored domestic violence human resources policies that can be integrated with existing health and safety policies, including induction and training to accurately inform employees:
  - about domestic violence in the workplace
  - of their rights in relation to domestic violence in the workplace
  - of the protocols and procedures surrounding domestic violence in the workplace
  - That unions and employers collaborate in workplaces on developing protocols advocating for victims of domestic violence and relevant induction and training programmes, as has been the case in Australia.
- That an on-line induction module be prepared that is freely available to all organisations which includes knowledge about domestic violence and to work with large employers to implement the domestic violence information section into their induction processes as soon as possible, both for new and long serving employees
- To work with peak bodies to motivate take up of existing programmes focused on training to recognise, respond to and reduce domestic violence
- Based on successful overseas practice, develop and implement a national policy that entitles victims of domestic violence to up to 10 days special leave (non-accrued) for specific requirements to address and resolve domestic violence problems (Note that the presentation of documentation by those affected by domestic violence triggers this entitlement which is a current expense for employers rather than a liability on the balance sheet)
- To align the national policy with a monitoring tool based on the framework developed for this project to understand what does and does not contribute to workplace gains for victims and employers and to assess the costs and benefits of the leave entitlement and other workplace protections
- Set up an evaluation process to identify effective workplace protections and to inform the specification of replacements for ineffective ones.

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# Chapter 1 – Introduction: Workplace Protections

Domestic violence is a significant problem in New Zealand. Experience since 1972, when then-Minister of Social Welfare Venn Young acknowledged its existence, is that it requires a multi-faceted, society-wide response. Workplace interventions provide not only the potential to make a positive difference in the lives of those affected by domestic violence, but are also an opportunity to increase workplace productivity.

The body of research about domestic violence over the past 30 years finds conclusively that staying in employment is critical to reducing the effects of violence and abuse experienced by victims. Security of employment enables those affected by domestic violence to maintain personal, family, financial and economic stability, in this way assisting them to find a pathway out of violence and to successfully build their lives.

There is a growing body of evidence suggesting that as well as the potential for breaking the cycle of domestic violence, the introduction of workplace protections for people affected by domestic violence both saves employers costs (recruitment, retention, re-training, health and safety) and increases productivity. The Public Service Association (PSA) commissioned this project to estimate the impact on workplace productivity of measures aimed at protecting the victims of domestic violence.

The framework is designed to specify the workplace protections, calculate the costs and assess the changes in productivity. Given the short time available for this project, it is specified based on available data and where there are data gaps, supported by evidence-based assumptions and estimates. The framework was initially specified and then tested on a range of those with an interest in the work of the project at a workshop hosted by the Victoria University School of Government and at the Owen G Glenn Business School of the University of Auckland. The workshop attendees are listed in Appendix C.

## **THE FRAMEWORK**

The framework underpinning this study is designed to describe the relationships between inputs, outputs and outcomes for victims in the workplace and for employers/business owners. It consists of a set of deterministic, linear relationships that estimate the costs of domestic violence, the costs of workplace protections, and the estimated savings in productivity on a yearly basis. Details on the framework can be found in Appendix A.

It is also important to note that the framework is not static; it is designed so that its specifications can and will change over time as experience with and knowledge gained about the determinants of the organisation's outcomes increases. The purpose of building a framework is so that it is possible to see how the different parameters relate to each other and how changes in information, assumptions and so on lead to changes in the result. In other words, a key feature of the framework is that it assists in understanding how and why things change, as well as gaining an insight into the magnitude of the changes.

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### **Chapter 1 – Introduction: Workplace Protections**

The process of developing the framework involved the following key steps:

1. *Identifying outcomes sought (an improvement in the lives of victims of domestic violence and in the productivity of the workplace)*
2. *Defining workplace policies and protections that lead to the achievement of identified outcomes for victims (note: the impact on abusers is outside the scope of this study)*
3. *Identifying whether data currently exists about the number of victims, effective workplace protections and the relationship between victims and the workplace that lead to improvements in victims' lives and increased productivity*
4. *Choosing data sources and measurement methods to calibrate the relationships defined in 1-3 above.*
5. *Measuring baseline and specify a moderate and optimal scenario*
6. *Populating the framework with agreed baseline data and calibrate and compare the scenarios.*

**Scope:** Determining the scope of the framework is important. Clearly identifying the population central to the analysis assists in drawing attention to the key factors that determine improved outcomes for victims and for employers. Behavioural and attitudinal attributes can have the effect of providing barriers to improvements or to leveraging faster and more significant positive change. These are shaped by:

1. *Changes in what is known and understood, e.g.*
  - New knowledge
  - Increased skills in applying knowledge
  - Changed attitudes
  - Changed opinions or values
  - Changed motivation
  - Changed aspirations

*For example:*

- Induction packages can provide information on the nature of domestic violence and forms of support that can make a difference.
- Training can assist in educating staff about domestic violence and about what to do when a crisis arises or when there are noticeable changes in the demeanour of other staff
- Counselling can help the victim build self-confidence and strategies for self-protection
- More knowledge about the three above factors can contribute to increasing the effectiveness of support services and other programmes that move victims out of abusive environments to become survivors experiencing greater stability at home and at work.

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### *Chapter 1 – Introduction: Workplace Protections*

#### *2. Changes in Action:*

- Modified behaviour of employers, staff, victims
- Changed practice in the workplace
- Changed decisions about what is working effectively
- Changed policies

#### *For example:*

- Victims are empowered to seek support that is helpful
- Colleagues are empowered to give effective support

#### *3. Changes in Conditions:*

- Human
- Economic
- Civic
- Environment

#### *For example:*

- As a result of increased safety, victims become more focused on work when in the workplace.
- There is an increase in productivity, hence improving economic conditions

**The Chain of Outcomes.** In general, not all outcomes will be achieved at the same time. Some outcomes must be accomplished before other outcomes and organisational goals can be reached. Distinguishing between outcomes that are achieved over the short, intermediate, and long term is an important part of the logic model development process. This is referred to as the **chain of outcomes**.

- **Short-term Outcomes:** *What changes do you **expect** to occur either immediately, or in the near future?* Short-term outcomes are those that are the most direct result of activities, changes implemented and outputs. They are generally achievable in one year and are typically not ends in themselves, but are necessary steps toward desired ends (intermediate or long-term outcomes or goals). For this project, a short-term outcome is that employers adopt workplace protections that engage with the needs of victims for support while in paid employment.
- **Intermediate Outcomes:** *What changes do you **want** to occur after your short term outcomes?* Intermediate outcomes are those outcomes that link a programme's short-term outcomes to long-term outcomes. For this project, employers can witness (record and monitor) the effects of workplace protections to engage victims.
- **Long-term Outcome:** *What changes are **targeted to** occur over time?* Long-term outcomes are those that result from the achievement of the short- and intermediate-term outcomes. They can often be outcomes over which a programme has a less direct influence. Long-term outcomes can be outcomes that are achieved beyond the timeframe identified for a logic model (for this

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### ***Chapter 1 – Introduction: Workplace Protections***

project, the framework), and some may be best achieved in collaboration with other organisations.

In the case of the workplace protections specified in the framework, a key factor for determining the eligibility of victims to trigger the explicit additional days leave protection is that they have a document indicating that they are experiencing domestic violence.

Amongst the implications of this are that the victim has acknowledged that they have a problem to solve and that as well as being in a position to gain the support of workplace protections, she has sought support from other appropriate service providers.

#### **Data for Calculating the Baseline and Calibrating the Framework**

The identification of what data exists (or indeed whether data relevant to what is being examined exists at all) is an important step.

In cases where there is no data available for a particular transaction (action between the victim and service provider / employer), then the process involves either of the following:

- Re-specify the transaction
- Develop a data-estimation formula

This is an iterative process ó the most important characteristic is that the data and other inputs for the framework relate to what happens, the quality of what happens, the inclination and behaviours of victims, staff and employers, and an understanding of the actions taken that result in better productivity outcomes over time.

The framework is specified so that it can be adapted as knowledge is gained about how this set of relationships works in practice. As this is an area where the knowledge to be gained is about something that hasn't been done in the past, the initial framework is designed about what is known and hypothesised to cover what is believed to be the case.

Applying the framework as an evaluation tool when changes are adopted has the advantage as it provides a basis for comparing what was hypothesised to happen with what does happen. This leads to a better understanding of why things happen and how doing things differently can leverage faster changes (moving victims to survivors) and greater improvements in workplace productivity.

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### ***Chapter 1 – Introduction: Workplace Protections***

#### **DEFINING THE BASELINE**

The approach is to collect data for a baseline year and set realistic parameters to project from there.

With the 2013 Census population data already published, it was possible to use June year 2013 population data and so this year was set as the baseline year.

As well as providing the starting point for making forward projections, the base year provides a basis for describing current conditions for victims of domestic violence in the workplace. In other words, the baseline scenario is the projection of the status quo.

Scenarios are then specified to project what could be the outcomes for victims and employers if there were workplace protections. The basis for these specifications is research-based evidence, where data is available. The chapters that follow set out what is currently understood about the experience of victims of domestic violence in the workplace and about the impact of their behaviours on costs and productivity.

#### **VICTIMS, SURVIVORS, EMPLOYERS**

The key groups examined by this framework are victims, survivors and employers.

For this project, victims are women who have experienced domestic violence who are in paid employment. They are particularly vulnerable in the workplace due to the predictability of the workplace or their working hours or both.

Also for the purposes of this analysis, victims are only the women in the workforce who have experienced domestic violence. It is important to note that men can also be the victims of domestic violence and further that the workplace protections specified can also have a positive impact on abusers, leading to productivity improvements for their employers.

Survivors are women who have experienced domestic violence and have taken explicit steps first to acknowledge that they are experiencing physical, emotional, psychological, sexual and/or financial abuse, sought and received support and then built a new life. This is a life where there is an absence of violence and crisis and a growth of stability and self-sufficiency.

When in the workplace, a consequence of this, as women move from being victims to survivors, is that both the quantity and quality of engagement of the victim with work will have improved.

Employers are those who lead an organisation. For a majority of New Zealand enterprises, an employer is likely to also be the business owner. On the other hand, a majority of employees work for employers who are either government senior management or representatives employed by shareholders of a larger business.

Those responsible for affecting workplace conditions include the employers, other senior management, human resources staff and union delegates.

## Chapter 2 – Domestic Violence in the Workplace

### PREVALENCE OF DOMESTIC VIOLENCE IN THE WORKPLACE

Domestic violence can take many forms including intimidation, control, isolation and emotional, physical, sexual or financial abuse (McFerran, 2011, p. 4). It is inevitable that the impacts of such abuse will be felt across all aspects of an affected person's life, including in the workplace. The manifestations of this are diverse; from a loss of the ability to concentrate to a victim being physically assaulted and in extreme cases, even killed at work. As domestic violence tends to increase in severity and frequency over time, a lack of intervention poses a serious risk to the wellbeing of those directly impacted by domestic violence, other staff and the operation of the business itself.

Anyone, regardless of gender and age, can experience domestic violence; however women experience more severe and persistent forms of abuse (McFerran, 2011, p. 8). One in three New Zealand women is physically or sexually abused by a partner or ex-partner in their lifetime, with 18.2% experiencing domestic violence within any given year (Fanslow & Robinson, 2011, p. 747). About 41% of these victims are in employment at the time they are experiencing abuse (Patton, 2003). These statistics indicate that many employers will have employees who are directly experiencing domestic abuse. Note that this percentage varies throughout the literature and so the calculation of the number of victims at the base of our analysis could be conservative.

The Figure below shows the calculation of the number of victims of domestic violence and the subset of those in full-time employment in 2014. Note that there are likely to be many victims in part-time employment as they have been excluded as they are ineligible for the entitlements to explicit workplace protections specified in this project.

**Figure 1: Percentage of Victims of Domestic Violence in Full Time Employment in Year 2014**

|  | <b>Victims of domestic violence</b> | <b>Victims of domestic violence in full time employment</b> |
|--|-------------------------------------|---|
| <b>number of victims in 2014</b>                   | 270,902                             | 111,070   |
| <b>percentage of all females age 15-64 in 2014</b> | 18%                                 | 7%  |

See Appendix A for details on how these estimates were calculated.

It is common for victims of domestic violence to cover up its effects and so often the symptoms go unnoticed, making it difficult to examine the consequences and provide protection. There is a recent body of evidence ([www.wave.org.nz](http://www.wave.org.nz)) that suggests that if workplaces had information available as well as processes and systems in place to support those experiencing domestic violence there is potential to achieve three 'P's; Protection, Prevention and increased Productivity. If employees have reason to believe they will be supported by their employer, they are more likely to seek help to break the cycle of violence.

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### ***Chapter 2 – Domestic Violence in the Workplace***

In addition, policies focused on the three aspects are likely to have a positive impact on the staff who are colleagues with victims and on victims in part-time employment.

Currently, a social taboo exists around domestic violence which makes it difficult for victims to come forward and tell people around them that they are being abused. Victims may (perhaps justifiably) fear discrimination in the workplace due to misconceptions about their experiences and the circumstances in which they find themselves.

Victims may not wish to trouble co-workers or employers with their personal problems. This means they are more likely to stay in the abusive relationship, which in turn serves to increase the very real risk to both themselves and the people around them, including co-workers and employers.

While, for the reasons outlined above, domestic violence victims are currently unlikely to explicitly notify their employers of their situation, in many cases, co-workers have surmised or noticed the abuse.

This suggests that the abuse is either physically severe enough to leave visible signs on the victim, or that the abuser is able to continue the abuse while the victim is at work.

### **EFFECT ON VICTIMS AT WORK**

According to O'Leary-Kelly et al (2008, p. 6), domestic violence perpetrators target victims at work to increase their control and compromise the victim's economic independence:

*Intimate Partner Violence (IPV) is motivated by a desire to control the intimate partner, so perpetrators who extend their abuse to the work setting are increasing the number of domains in which they control their partners. Further, by harassing, stalking, and threatening the target at work, perpetrators may succeed in getting the victim fired and thereby increase the victim's dependence (Farmer & Tiefenthaler, 1997; Gemignani, 2000, Reeves, O'Leary-Kelly, Farmer, Paetzold, & Tiefenthaler, 2001).*

The abuser may make it hard for the victim to get to work on time, or at all. This is commonly done by hiding keys, withholding transport fares, refusing to pick up children on time (generally with almost no notice so that the victim is unable to arrange alternative childcare) or through injuring the victim.

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**Figure 2: Estimated Costs of Negative Effects of Domestic Violence at Work for June Year 2014**

|                                   | being late to work/<br>leaving work early | being distracted at<br>work | terminated from<br>employment |
|-----------------------------------|---|-----------------------------|-------------------------------|
| <b>number of victims affected</b> | 38,874                                    | 111,070                     | 18,882                        |
| <b>number of hours lost</b>       | 110,209                                   | 8,104,773                   | 5,986,735                     |
| <b>cost in NZD</b>                | \$5,627,272                               | \$206,914,855               | \$152,841,345                 |

See Appendix A for details on how these estimates were calculated.

There are 3 main ways that a victim can experience domestic violence at work:

1. Psychological and/or emotional intimidation using communication channels available in the workplace
2. Enduring harassment
3. Being stalked at work

Available evidence indicates that victims of domestic violence may be distracted, agitated, stressed or fatigued (physically and/or mentally) (McFerran, 2011, p. 12).

The most common form of abuse experienced by domestic violence victims at work is abusive phone calls, text messages and emails. Intimate-partner stalking, or the abuser physically coming to the victim’s workplace is also prevalent. This abuse can affect a victim’s ability to concentrate, deal with conflict, get on with co-workers, and do their job effectively; in some cases posing a risk to themselves and others.

Victims of domestic violence are more susceptible to losing their jobs through absenteeism, a lack of productivity, poor performance, or endangering themselves or others. (Staggs et al., 2007, p.17.). Some victims may resign, with the hope of increasing their safety (i.e. by attempting to please their abuser through surrendering independence or autonomy), resulting in another pathway from domestic violence victimization to lower financial stability and even poverty for some women.

**EFFECT ON VICTIM’S CO-WORKERS**

Domestic violence has a ripple effect on the workplace and places strain on workplace time and resources. Studies show that co-workers are commonly confided in by victims and that while victims may not think that their workplace is being affected, twice as many co-workers than victims identified as being impacted by the effects of domestic violence at work (McFerran, 2011, p. 11) . Co-workers provide cover for the late, absent or less productive employee, spend work time trying to help or support their colleague, sometimes getting unsafely involved (in part due to a lack of available information or advice) - and may experience stress consistent with a limited understanding of domestic violence and be distracted from their own work because they don’t know what to do or say (Carrington, 2012, p. 3). There also may be stress borne from a conflict of loyalty;

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on one hand playing the confidante to the victim, on the other, wanting to be a fully productive employee.

Some co-workers of domestic abuse victims have reported that the abuser will contact them in work hours to talk disparagingly about the victim, in an attempt to make the victim look bad so that they will eventually be fired and therefore be easier to control. In some cases, the co-workers may even be threatened by the abuser. Co-workers of victims of domestic violence can be stressed and fatigued and in the event that a victim is murdered by their abuser, will experience grief and potentially remorse for not having been able to intervene effectively.

### **EFFECTS ON VICTIM'S EMPLOYER**

Most employers never find out about workers who are being abused by an intimate partner. If they do find out, they often do not know how to respond, have no agency, and no policy to provide guidance. Hence, victims and their co-workers suffer, and so too does productivity (Carrington, 2012, p. 3).

Due to the effects of domestic violence, employers will experience lower productivity across the board. Victims of domestic violence who find it difficult to explain absences and lateness are more likely to be fired than non-victims (Yragui et al, 2012, p.36, Staggs et al, 2007, p.357), which costs the employer time and money in recruiting and training a replacement employee, as well as paying out the victim's holiday pay. In the event that a victim or other employee is injured by the abuser in the workplace, the employer can be liable, as they have failed to keep the workplace safe and their employees protected.

If an employer is aware of the abuse and is supportive of the affected employee, there will be fewer days of unanticipated absence. If an employer is aware of the abuse and is informed about how to support the victim, the victim is more likely to be able to leave the abusive relationship and therefore more likely to retain their employment. Domestic violence generates an economic cost to the workplace, but evidence shows that it makes better economic sense for employers to support an employee suffering domestic violence by providing some paid leave and safe workplace policies, rather than have the employee leave or terminate their employment (Carrington, 2012, p. 3).

This study has found that the benefits to employers from providing workplace protections are such that employers who take up the opportunity for training about how to provide support will find that they are both able to assist a victim on the road to safety and security and improve the overall financial outcomes for the organisation. An important first step is to assist the victim to acknowledge abuse and to seek formal support.

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### **Chapter 2 – Domestic Violence in the Workplace**

#### **HOW STAYING IN EMPLOYMENT CAN REDUCE THE EFFECTS OF DOMESTIC ABUSE**

Employment can have a protective effect for a victim of domestic violence. Employment provides not only important financial resources, but the experience of working productively facilitates potential praise and encouragement from employers, colleagues or customers, which may raise a victim's self-esteem, thereby providing psychological resources to cope with or end an abusive relationship (Brush, 2003, p. 19).

This is from the University of New South Wales' 2013 *Safe at Home, Safe at Work?* Survey, Implementation and Good Practice Report (McFerran & Cortis, 2012):

*Being at work can provide a positive impact on victims of Domestic Violence as they are removed from the situation, if only for a short time. They can mix and interact with people and even confide or get assistance. (Organisation 2, survey respondent, p.12)*

*I had the opportunity to travel for work every day and used this as an escape from my now ex-husband. I believe at the time I was throwing myself into my work, which was a life saver for me and gave me independence I didn't have in my home life. (Organisation 2, survey respondent, p.12)*

The financial security that employment affords women can allow them to escape becoming trapped and isolated in violent and abusive relationships, and to maintain, as far as possible, their home and standard of living (McFerran, 2011, p.4).

#### **A SAFER WORKPLACE**

If there was greater flexibility in terms of working arrangements for employees directly affected by domestic violence, victims would find it easier to stay in paid employment, thereby increasing the chances of being able to leave an abusive relationship. Flexibility could include:

- Ability to move to another location
- Ability to change start and finish times
- Ability to change actual days at work
- Assurance that there will always be other staff present
- Ability to request receptionist to monitor calls

If an employer has systems in place to support victims of domestic violence and educate staff about procedures and effective ways to support victims, time is saved and productivity can be maintained or even increased. Evidence points to early and informed intervention as the best way to reduce the effects of domestic violence in the workplace and make work a safer place for victims and co-workers alike.

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#### **The Impact of Domestic Violence on Victims in the Workplace**

Domestic violence perpetrators wish to exert control over all aspects of a victim's life, including their life at work. Victims gain both financial independence and confidence through work and this poses a threat to the abuser's dominance. There can also be issues of jealousy; a victim may have friends at work that they potentially socialise with & this is time stolen from the abuser. This jealousy becomes increasingly dangerous if the abuser perceives a relationship with a male co-worker. There is also the issue of traditional gender roles; if the woman is the main bread winner, a male abuser can feel emasculated, thereby taking the anger at their own potential or perceived shortcomings out on the victim. This can be further exacerbated if the victim is achieving and receiving praise from an employer & an abuser can misconstrue this as flirting or an inappropriate relationship as a way to justify their abuse. An abuser will sometimes continue the abuse at work as a way to get the victim fired. The victim will then have to stay at home where there is even less protection and the abuser can exert full dominance over them. If a victim is unable to earn money, she becomes more dependent on the abuser and the likelihood of being able to leave the relationship diminishes significantly.

Of women who have experienced domestic violence in the last year, 19% have indicated that the abuse continues at work (McFerran, 2011, p. 12). Stress, fatigue and anxiety are the most common effects of domestic violence in the workplace and they are the most difficult to detect. A 2007 study shows that victims are more likely than non-victims to experience higher levels of distraction at work, which can lead to making mistakes and becoming decreasingly productive (Reeves & O'Leary-Kelly, 2007, p. 339). Even in the cases where women have said they have poured themselves into their work as escapism, the level of stress, anxiety and fatigue (which becomes considerably heightened in the case of victims with children at home) must be an impairment to the quality of work produced, which can lead to work needing to be redone, which in turn wastes time and resources.

Research shows that victimisation affects workers' ability to get to work on time (Reeves & O'Leary-Kelly, 2007, p. 339). Victims have said that abusers will hide their keys or materials necessary for work in order to make them late or unable to get to work. In some cases childcare arrangements will be changed at the last minute so that a mother is unable to leave them and get to work. In extreme cases, an abuser will physically injure a victim either leaving visible signs of the abuse (so that a victim is too ashamed to leave the house) or injuring them badly enough that they physically can't leave the house at all (Staggs et al, 2007, p. 17).

The resulting (often unexplained) absenteeism or lateness can put a victim's employment in jeopardy. If a victim is constantly behind in their work, they become less able to learn new skills at work. They will find it hard to become more useful as they will be essentially trying to keep their head above water. Co-workers and employers will become increasingly irritated and may see the absences as a lack of interest in the work or co-workers. This serves to alienate the victim from people at work (who could potentially otherwise have served as a lifeline), which in turn puts strain on the ability to work productively with others.

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Once at work, the most common form of abuse victims reported having suffered is harassment in the form of abusive phone calls, text messages and emails is experienced by 12% (Family Violence Statistics Report, p. 168). The effects of this form of abuse on a victim can have a substantial impact on their mental well-being and their performance at work. The abuse is incredibly distracting and can interrupt an entire day's work. Employers and co-workers may not notice emails and text messages and therefore abusers can be incredibly persistent. If an abuser is persistently calling a victim at work, co-workers and employers may notice and this will reflect badly on the victim, who will be trying to act as though it is a "normal" conversation to try to cover up the fact that they are being abused. This can lead to being reprimanded at work. This can serve to decrease a victim's confidence and self-esteem and even put their employment in jeopardy by leading to official warnings and ultimately being fired for wasting employer's resources and time.

Of women who have been victims of domestic violence in the last year, 11% have indicated that their abuser has stalked them while they are at work, by physically coming into the workplace or waiting for them outside during work hours (Family Violence Statistics Report, p. 168). An abuser will generally know a victim's routine and therefore can know when a victim takes their breaks at work. So instead of having time to refresh on a break, a victim can endure abuse and go back to work more fatigued, stressed and anxious than before they left. This means that they are even less likely to be productive and more likely to be distracted. If a victim is late to go on their break, due to unforeseen circumstances, this can be disastrous; an abuser can accuse the victim of trying to avoid them or get jealous over an imagined relationship with a co-worker or employer.

In some workplaces, for example the hospitality industry, the abuser may have access to the workplace at any time. Some victims have reported that an abuser will sit in a café or bar for their entire shift, watching to make sure the victim isn't flirting with co-workers or customers.

The presence of the abuser distracts the victim, taking up a lot of their time. It serves to make co-workers and customers uneasy and therefore has an adverse effect on business. In some places, an employer may expect employees to spend time talking with regular customers. This can cause problems if the abuser is loitering or watching and passing judgements on what they think the nature of any given relationship is. An abuser may physically abuse a victim while at work. This will make it difficult for a victim to do their job and also raises questions of employer's liability, as it is their responsibility to provide a safe working environment for all of their employees (New Zealand Health & Safety in Employment Act, 1992).

Stalking is one of the risk factors that can lead to a victim being killed (McFerran, 2011, p. 4). Through identification of victims at risk and early intervention this outcome can be avoided. This can only happen in a workplace that has systems in place to cope with domestic violence. In the current situation, most co-workers and employers would not even recognise the above situation as domestic violence, as abusers often deliberately hide their intentions when in public and adopt a charming demeanour. It is important, therefore, for a victim to be able to confide in others so that they can be helped.

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On the other hand, in cases where the abuser causes a scene at the workplace, if a victim has not made the employer aware of the conditions leading to that event, or if there are no other systems in place in the workplace to discreetly support victims of domestic violence, the victim is forced to take responsibility for the abuser's actions (and quite often will choose to do so out of fear of the repercussions of appearing to antagonise the abuser). If the consequence of this is that they lose their job, there is a risk that they will once again become exclusively dependent on the abuser.

#### **The Impacts of Domestic Violence on Victim's Co-workers**

The effects of domestic violence are felt by the co-workers of a victim. In the *Safe at Home, Safe at Work?* survey 22% of co-workers reported that a victim was being harassed by phone calls, compared with the 12% of victims that self-reported. This indicates that victim's co-workers can perceive that the abuse is happening without being explicitly confided in. The effect of this is that co-workers can become emotionally invested and are distracted from their own work. There is also added stress if the co-workers don't know what to do about the abuse.

A further consequence of domestic violence is that co-workers have to pick up the slack if a victim is late or absent from work. This means that resources are stretched and that people can become overworked and may begrudge the victim. They may become less tolerant if they do not know the reason for the victim's absence. This can lead to relationships becoming strained in the workplace and team morale decreasing.

Studies show that employees are more productive if they are in a functioning and supportive environment (McPherson, 2007, p. 9.). If co-workers of domestic violence victims think they are being taken advantage of or taken for granted, they may become less inclined to be productive. Lower productivity leads to deadlines being pushed back and can lead to customer dissatisfaction (Härtel et al, 2008, p.10). This can result in businesses losing contracts or customers.

The *Safe at Home, Safe at Work?* survey found that 45% of domestic violence victims do confide in their co-workers at work. This means that the co-workers can become emotionally invested in the situation and become stressed and anxious about the safety of the victim. This leads to distraction at work and lower productivity. They will most likely be sworn to secrecy, which can cause a lot of added stress, as the confidante will want to help but will not know how. They may also take responsibilities for the victim's poor performance at work, to ease the burden on the victim. This can lead to strained relationships with employers and ignorant co-workers, and potentially to jeopardising their own employment.

Co-workers of victims of domestic violence can also experience harassment from the abuser in the form of emails and phone calls. These can either be directly abusing the co-worker or being disparaging about the victim. In the case of the former, this can be due to perceiving a romantic relationship and becoming jealous and possessive. This situation can compromise the safety of the co-worker. The abuser could also perceive a co-worker being a "bad influence" on the victim; someone who may encourage the victim to socialise, or who may call the behaviour of the abuser into question. The abuser sees this person as a threat to their dominance over the victim.

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In the latter case, the abuser may try to make the victim look bad in the eyes of their employer or co-workers. This would be done with the aim of trying to get the victim fired, so that the abuser can claim a monopoly over the victim's time.

Both of these situations describe time being wasted at work and the use of workplace resources. The work itself becomes secondary to the drama the abuser is creating.

In the event that the abuser stalks the victim at work, co-workers can become unsafely involved, by insisting that the abuser leave, thereby identifying themselves as an adversary to the abuser. The abuser may become threatening or in some cases violent towards co-workers.

In extreme cases of physical abuse (including the event of murder), co-workers can experience acute grief. This may mean that they need to take time off work and while they are there can become emotionally distraught and unable to function effectively. Co-workers who knew of the abuse may feel responsible for not effectively intervening, which can then cause a myriad of psychological issues. These will all impact on the employee's work. If a workplace has systems in place to educate and inform employees about domestic violence, some of these scenarios can be avoided, or the impacts can be decreased.

### **The Impact of Domestic Violence on a Victim's Employer**

More employers are recognising that domestic violence is a workplace problem. Few New Zealand workplaces, however, currently have programmes in place to deal with the impact of domestic violence. Workplaces have limited awareness of, access to or inclination to take advantage of the tailored workshops and training programmes available to them.

This section describes some relevant existing programmes followed by a discussion of the impact on employers of domestic violence, their limited take up of programmes and identifies the value to them if they were to take up such workplace protections.

#### **a. Current Programmes**

Women's Refuge offers a one-day training course suitable for "Professionals, community workers, teachers, health workers and anyone working with women and children who have experienced domestic violence".

(<https://womensrefuge.org.nz/WR/What-we-do/Training.htm>)

These courses can be booked for groups, depending on local refuge's capacity at the time to take on external training. Women's Refuge lists 7 organisations they have trained, nationwide.

Another initiative suitable for workplace training was developed by Shine:

*Shine is a national domestic abuse charity and runs a domestic abuse helpline to help keep people safe from domestic abuse and family violence. (www.2shine.org.nz)*

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Shine currently offers two one-day training sessions in Auckland annually at \$235 per person. Previously, Shine ran a free workplace training programme, called DVFREE™ however:

Unfortunately we no longer have this funding available, so there is now a charge to employers wishing to access DVFREE™ workplace policy consultation and training.

As the programme providers themselves would agree, ideal programmes would be both longer and train more staff than current programmes do. The programmes to date have been designed within available resources and to encourage employers to take them up by being made available at relatively low cost.

#### **b. Limited Take Up of Workplace Protections by Employers**

With such limited accessibility, for the majority of NZ workplaces domestic violence remains an un-monitored potential hazard. Victims don't know what their rights are and are unlikely to divulge such sensitive information freely, especially as they have no way of knowing how they will be treated. Victims must make excuses for unplanned absences and lateness. If this happens frequently, an ignorant employer may assume that a victim is uncommitted and will treat these absences accordingly, that is by delivering official warnings and ultimately dismissals. In the short term, employers have to deal with the shortfall of being unexpectedly understaffed. In service or product delivery based industries, this can mean that targets are not met and customers are dissatisfied. If other employees are called upon to cover for the absent employee, they can become over worked and disgruntled. The general morale of the workplace can be compromised and this can impact on the running of the business overall.

#### **c. Impact on Employers from Limited Workplace Protections**

When the victim is at work, their productivity is compromised by their experience of domestic violence. An employer may not know how to help a victim, or indeed know that they are a victim and so is either stuck with an under-productive employee or reprimands them. In both cases, the outcomes are negative.

In the case that a victim is dismissed from their position of employment, the employer must spend time, money and resources to both terminate their contract and replace them. The employer may need to pay to advertise the vacant position as well as any other recruitment costs. This can include training and buying new uniforms or equipment.

When a victim leaves a job, they take with them the information and specialist knowledge they may have acquired during their time in the position. It takes time and resources to train a new employee. It may take the organisation a while to recover the benefits of having the specialist information that the previous employee held. Depending on the nature of the dismissal and the victim's circumstances, there may be no hand over period, which means another employee will be taken away from their tasks to help train a new employee. There will be a period of decreased productivity as the new employee learns the systems particular to any given workplace and begin to establish productive working relationships with their new co-workers.

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Some co-workers may have disagreed with the firing of the victim (perhaps more so if they knew about the abuse they were suffering). This can lead to a lack of co-operation and prejudice against the new employee. This again can lead to decreased productivity and low company morale.

If a victim is being stalked at their workplace and is (or a co-worker is) subsequently injured, or even killed, the employer will be liable. Employers must, by law, provide a safe working environment for their employees. This means they have to take every reasonable step to identify and eliminate potential hazards to their employee's safety. Ignorance is not a viable excuse, because it could be argued that there is little to no difference between ignorance and negligence, in terms of prevention of injury.

#### **d. Identifying Workplace Protections**

It is, therefore, in an employer's best interest to know if a member of their staff is a victim of domestic violence. Once they are aware of the abuse, (identified the hazard; the hazard being the abuse, not the victim), the employer needs to take the necessary steps to eliminate it. This means that it is also in an employer's best interest to be supportive of the victim in order to end the cycle of abuse. This support can take diverse manifestations, the most effective being flexible working arrangements.

If an employee is in an abusive relationship, they may need to take time off to deal with the effects of the abuse, or to seek help escaping the abuse. In the case of the former, if a victim perceives that they are going to be discriminated against, they are unlikely to be honest about the real reason for their absence. The employer doesn't need to do anything to make the employee think they may be discriminated against; it's just the fact that there are no provisions for domestic abuse victims that sends that message to employees. If there are systems put in place by an employer, those systems would need to be discreet in order to entice a victim to be open about their situation. In the latter case, a victim may need to take leave at short notice in order to seek help undetected by the abuser. It would be detrimental if this leave of absence were treated in the same way as normal leave, in that the abuser may scrutinise time sheets or payslips and demand to know the reason for an absence they were previously unaware of.

Once a victim has left their abuser, they may continue to be stalked at work. An employer should make flexible working arrangements available to people in this situation. An example of this could be to change the hours or location of work so that the abuser does not know the victim's routine.

If a victim feels supported by their employer they are more likely to be able to stay in employment and break the cycle of violence. If they are supported, the financial strain will be lifted as they will not fear losing their jobs. This can relieve a huge amount of pressure on the victim. The more likely they are to remain independent, the more likely they are to leave the abusive relationship and the more productive they will be at work.

While it will take time, money and resources to implement a plan for dealing with domestic violence in the workplace, the long term benefits may outweigh the short-term costs to the working environment while at the same time eliminating potential liability in terms of injury due to domestic violence in the workplace. The next sections of this

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report describe how we examine this, leading to the development of a framework to calibrate the net costs of workplace preventative and protective programmes and the net benefits of these in terms of recruitment, retention and increased productivity.

#### **Summary**

Domestic violence is the cause of 40% of all homicide in New Zealand (Family Violence Clearinghouse, *Family Violence Deaths*, May, 2012, p. 3). Its effects are felt in all aspects of society, including in the workplace. Employers and employees are beginning to realise that domestic violence is a workplace problem; however, there are no formal streamlined systems in place to protect people affected by domestic violence in the workplace. The effects of domestic violence have an impact on productivity as well as workplace safety. It is in an employer's best interest to be aware of domestic violence in their workplace and to advocate a plan of action for discreetly supporting victims to seek help and escape abusive relationships. If such systems were in place, victims would have a better chance of staying in paid employment, maintaining or increasing productivity and ending the cycle of domestic violence.

## Chapter 3 –Victim Case Study Groups

### CASE STUDY GROUPS

For the purpose of this examination of the impact of domestic violence on workplace productivity, victims are split into three identifiable groups:

1. Victims without dependents
2. Victims with dependents without any formal support
3. Victims with dependents with formal support

These groupings are based on analysis of those seeking refuge services by the Women's Refuge Foundation, a subset of around 20,000 women and children (Women's Refuge Annual Report, 2013, p. 20). They are grouped in this way as Women's Refuge has found through its experience over many years that these groups use services differently and their pathways to becoming survivors vary. They differ in terms of their acknowledgement of abuse, of their willingness to move beyond symptomatic care to seeking support to move towards improved outcomes and finally, of their potential to undertake the changes that would break the cycle of violence.

### VICTIMS WITHOUT DEPENDENTS

A victim of domestic violence who does not have dependents may be less likely to acknowledge the seriousness of the abuse, or that the behaviours of their partners can be framed as abuse at all. Victims of domestic violence without dependents find it more difficult to leave an abusive relationship as they increasingly develop a lack of perspective about the state of their relationship; conversely a victim who can see the impact the abuse is having on their children is more likely to acknowledge that there is a problem (Davis & Srinivasan, 1995, p. 9; Fanslow & Robinson, 2010, p. 940). A victim that is unable to acknowledge their status as a victim will not have sought support from agencies such as Women's Refuge. They are likely to be unaware that their situation can and needs to change. They may have had contact with police, but unless there is a formal outcome (e.g. an arrest), the victim can play down incidents of violence and find circumstantial factors to blame for the abuse. To further illustrate this point, Women's Refuge received 81,720 crisis line calls in 2013 while 10,329 (13%) women actively engaged with support services (Women's Refuge Annual Report, 2013, pp. 20 ó 21).

A domestic abuse victim without dependents is less likely than those with dependants to identify as a victim and therefore it is unlikely that their employer will know that they are a victim. This means that while they may be less likely to take time off work (they will not need time off to see support workers or lawyers for example), any absences or lateness may be unexplained or excuses will be made up. Victims may use up their available annual leave thereby jeopardising their employment, or may terminate their contract themselves to avoid confrontation and/or the embarrassment of explaining their situation to others.

Regrettably, it appears that women without children who suffer abuse and seek formal support are less likely to follow up on any longer-term programmes aimed at prevention, protection and/or moving rapidly away from abusive relationships. This is

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in correlation to which phase of leaving the relationship they may be in. Studies show that the two main catalysts for deciding to leave a relationship are 1) a severe incidence of physical abuse and 2) protecting children (Patton, 2003, p. 41). This means that for women without children, the abuse has to be increasingly severe before a serious decision to leave is made. This can also mean that victims will stay in the relationship for a prolonged length of time, increasing the amount of anxiety and other health problems victims suffer as a result of domestic violence. From the perspective of their peers in the workplace, their behaviours will often appear erratic, but for no explicable reason. In cases where a fellow staff member has been confided in, the co-worker will also feel vulnerable because on the one hand, they will often be sworn to secrecy while on the other, they will be aware that the victim needs support.

Victims without dependents are just as likely as all of the other groups to be harassed at work by emails and phone calls. They are likely to be distracted, feel anxious and under-perform at work. This can have the effect of alienating co-workers and employers. This is further exacerbated by unexplained lateness and absences. Co-workers may need to cover for the victim; potentially causing animosity and co-workers to become begrudging of the victim. This will serve to support the abuser's claim of monopoly of the victim's time and attention; if the victim finds it difficult to establish and maintain relationships with colleagues and their employer, they will become even more dependent on their abuser, therefore making it harder to leave the abusive relationship.

Research shows that victims may need to take leave at short to no notice for the following reasons:

- to hide the effects of physical violence
- due to sickness or injury associated with physical abuse
- at the behest of the abuser

(McFerran, 2011, p. 10)

Victims may be late for work because the abuser

- has hidden their keys / work related documents / phone or computer
- the abuser is withholding transportation means
- the abuser targets times just before work to deal out physical, sexual or emotional abuse, to assert their absolute dominance and power.

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**Figure 3: Estimated Number of Victims and Hours Lost Due to Arriving Late to Work and Leaving Work Early, across a three-year Period**

|  | 2014              |            | 2015              |            | 2016              |            |
|--|-------------------|------------|-------------------|------------|-------------------|------------|
|  | number of victims | hours lost | number of victims | hours lost | number of victims | hours lost |
| <b>without dependents</b>                  | 19,321            | 54,774     | 19,391            | 54,973     | 19,463            | 55,179     |
| <b>with dependents, sought support</b>     | 6,095             | 17,279     | 6,117             | 17,342     | 6,140             | 17,407     |
| <b>with dependents, not sought support</b> | 13,459            | 38,156     | 13,508            | 38,295     | 13,558            | 38,438     |

See Appendix A for details on how these estimates were calculated.

Victims without dependents are less likely to acknowledge that their abuser is a risk, to both themselves and others, a potentially dangerous situation is created in the workplace. This is because co-workers and employers are less likely to know of the potential threat an abuser poses and are therefore less likely to be prepared for an intrusion on the workplace, resulting in an outburst of violence, whether toward the victim or someone else.

This means that this group is likely to pose the biggest threat to an employer's liability in case of injury or death. The Family Violence Death Review Committee Annual Report (2011-2012) shows that only 24% of intimate partner homicide victims had formal protections from their abuser in place.

In the absence of clarity about the group of victims without dependents, the employer is particularly exposed and the negative impact on productivity is significant due to the unpredictability of the employee, the unpredictable timing of days leave and the greater potential for a victim without external support to suddenly leave (hence requiring employers to pay for recruiting and training someone else) and to be killed. This all adds to the increased liability for the employer in regards to legal requirements for workplace health and safety.

**VICTIMS WITH DEPENDENTS, WITHOUT FORMAL SUPPORT**

Domestic violence victims with dependents who have not sought formal support from organisation such as Women's Refuge or Shine are more likely than victims without dependents to acknowledge that they are being abused, as they can see the impact the effects of the abuse is having on the entire family unit, as well as harbouring fears for the safety of the children.

Research shows that concern for children is a key pathway to enable women to leave an abusive relationship (Fanslow, 2010, p. 940). To succeed, however, they will need to acknowledge that support is required.

Victims with dependents who have not sought formal support may spend time worrying about the safety of their children while at work. This may cause victims to leave work early, as they may feel compelled to check in on their children.

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These victims may be absent or late more often than victims without dependents as abusers may make it difficult to organise child care arrangements, or may make changes to arrangements with little to no notice, such as not picking up children on time or at all so that the victim can go to work (Maine Department of Labour & Family Crisis Services, October 2005, p.19).

As with the group without dependents, this group poses a real risk to the health and safety of themselves and co-workers. Again, the employer is unlikely to know about the abuse and therefore will be unprepared to deal with the effects of domestic violence in the workplace.

An advantage to employers of victims with dependents is that they will be more committed to their job in order to care for their dependents (Patton, 2013, p.2268; Yragui et al., 2012, p.32).

### **VICTIMS WITH DEPENDENTS, WITH FORMAL SUPPORT**

Victims of domestic violence who have sought the support of dedicated agencies are more likely to take time off work than the other two groups. This is because they are more likely to be going through the process of leaving the abusive relationship, which means they will need time to:

- Attend counselling sessions
- Attend meetings with lawyers
- Attend court
- Find new accommodation
- Find new schools / make new arrangements for childcare

(Maine Department of Labour & Family Crisis, 2005, p. 13)

In this situation, the employer and co-workers are more likely than in the above cases to know about the abuse. While these victims may require more days off work in the short term, in the long term there is a greater certainty that they will remain in employment, therefore the employer will save on recruitment and retention costs.

### **SUMMARY OF FINDINGS FROM FRAMEWORK**

We know that the demographic of domestic violence victims is diverse and so too are their experiences. In addition, victims are all going through different phases of the cycle of abuse. These phases have the potential for be accelerated towards the survivor phase with workplace protections.

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Patton (2003, p. 41) describes 5 phases during an abusive relationship:

1. Pre-contemplation ó The victim is likely to have told friends or family, but doesn't consider the situation to be serious or permanent
2. Contemplation ó The victim may have sought support from formal and informal sources. Note that victims are likely to return to the relationship multiple times.
3. Deciding to leave ó Usually after a severe incidence of violence or through concerns about children
4. Actually leaving ó Requires action based support from formal services
5. Beginning a new life ó Requires the highest level of contact with formal support services

Looking at the different case study groups, we can see that women without dependents can stay in phases 1 and 2 for an extended period. While they are less likely to take time off work, they are likely to lose work hours due to being late. As the intensity of violence escalates over time, they are likely to experience one or more severely violent incidents, which would have an impact on their work place, either directly by it occurring there, or indirectly, through hours missed and grief experienced by co-workers.

Women with dependents who have not sought formal support may lose more work hours due to concerns for children, but, as discussed above, are more likely to seek help before a severe incidence of violence.

Women with dependents who have sought formal support are likely to pose less risk to the workplace in terms of health and safety, but are likely to take the most time off work as they transition out of the abusive relationship.

As the supports required at each phase of an abusive relationship are as diverse as the experiences themselves, workplace protections are likely to be more effective in workplaces where there are a variety of protections available to their employees. In support of this is a study in which it was found that in case where the support desired by victims matched the support they received, termination of employment was significantly reduced (Yragui et al, 2012, p.36). Protections may include:

1. **Flexible working arrangements** ó This is especially supportive of women in phases four and five; in order to empower women to leave, all barriers need to be erased. For example, if a woman believes she can't afford to leave an abusive partner, she will stay in the relationship and/or be willing to accept another abusive partner. Changing work hours to fit around childcare can save a family significant amounts of money, allowing victims to remain financially independent as well as reducing the number of work hours lost to unanticipated absences due to arriving at work late or leaving early. Implementing workplace protections such as flexible working arrangements and formal policies help to de-stigmatise victims and can give them agency to take positive steps to ending abusive relationships.

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**Figure 4: Estimated number of victims who take up flexible working arrangements and hours saved**

**Moderate and optimal scenario**

| year | number of victims | number of hours saved |
|------|-------------------|-----------------------|
| 2014 | 14,628            | 41,470                |
| 2015 | 14,681            | 41,620                |
| 2016 | 14,736            | 41,777                |
| 2017 | 14,779            | 41,899                |
| 2018 | 14,822            | 42,019                |
| 2019 | 14,871            | 42,158                |
| 2020 | 9,145             | 25,927                |
| 2021 | 5,624             | 15,945                |
| 2022 | 4,021             | 11,401                |
| 2023 | 2,875             | 8,152                 |
| 2024 | 2,343             | 6,644                 |

See Appendix A for details on how these estimates were calculated.

Other protections that will increase workplace productivity by supporting victims of domestic violence include:

2. **Days leave** ó Again, this will support victims who have decided to leave an abusive relationship. They will be spending time with lawyers, at court, in counselling etc. These behaviours need to be supported, so that the woman is has optimal opportunities to engage with systems that will help hold the abuser accountable, and help her deal with the long term consequences of abuse, thus becoming a more productive employee.
3. **Training and Induction Programmes** ó In the beginning phases, victims need support to empower them to decide to leave a relationship. Co-workers, human resources managers, senior management and employers will be able to enhance outcomes for victims and their organisations by being equipped to adequately respond to help-seeking behaviours. For details on how training and induction programmes were costed, refer to Appendix A.

**Figure 5: Estimated number of employees undergoing external training and total cost of training in the moderate scenario**

| year | number of employees | Total cost of training |
|------|---------------------|------------------------|
| 2014 | 42,513              | \$15,219,718           |
| 2017 | 44,613              | \$15,971,714           |
| 2020 | 46,714              | \$16,723,711           |
| 2023 | 48,814              | \$17,475,707           |

See Appendix A for details on how these estimates were calculated.

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**Figure 6: Estimated number of employees undergoing external training and total cost of training in the optimal scenario**

| year | number of employees | Total cost of training |
|------|---------------------|------------------------|
| 2014 | 214,894             | \$84,839,801           |
| 2017 | 225,512             | \$89,031,818           |
| 2020 | 236,130             | \$93,223,836           |
| 2023 | 246,749             | \$97,415,853           |

See Appendix A for details on how these estimates were calculated.

**Figure 7: Estimated number of employees undergoing in-house training / induction and total cost of training in the optimal scenario**

| year | number of employees | Total cost of training |
|------|---------------------|------------------------|
| 2015 | 308,920             | \$16,063,819           |
| 2018 | 323,930             | \$16,844,356           |
| 2021 | 338,940             | \$17,624,894           |
| 2024 | 353,951             | \$18,405,341           |

See Appendix A for details on how these estimates were calculated.

- Human Resource Policies** ó Further to this, workplaces should have accessible, transparent policies in place that outline the company’s procedures in terms of domestic violence. Part of this would include referrals to Employment Assistance Programmes.

It is in employers’ best interests to support and empower victims of domestic violence to leave abusive relationships. Looking at the diverse experiences of case study groups helps to inform and recommend more effective responses to help seeking behaviour.

**Figure 8: Estimated number of victims who leave their abusive relationship and number of hours saved**

**Moderate scenario**

| year | number of victims | number of hours saved |
|------|-------------------|-----------------------|
| 2019 | 6,816             | 1,103,454             |
| 2020 | 4,188             | 678,052               |
| 2021 | 1,907             | 308,690               |
| 2022 | 1,363             | 220,713               |
| 2023 | 633               | 102,438               |
| 2024 | 516               | 83,487                |

See Appendix A for details on how these estimates were calculated.

**Productivity Gains from Workplace Protection of Victims of Domestic Violence**  
**Chapter 3 – Victim Case Study Groups**

**Optimal scenario**

| year | number of victims | number of hours saved |
|------|-------------------|-----------------------|
| 2019 | 6,816             | 1,103,454             |
| 2020 | 4,192             | 678,250               |
| 2021 | 19,464            | 3,149,456             |
| 2022 | 15,672            | 2,535,929             |
| 2023 | 12,294            | 1,989,316             |
| 2024 | 10,020            | 1,621,293             |

See Appendix A for details on how these estimates were calculated.

Being aware of domestic abuse in the workplace and implementing protections for victims can also reduce costs of termination, recruitment and retraining, even in cases where a victim has not disclosed to their employer that they are being abused.

**Figure 9: Estimated number of victims who avoid termination and the number of hours saved**

**Optimal scenario only**

| Year | number of victims | number of hours saved |
|------|-------------------|-----------------------|
| 2014 | 697               | 220,854               |
| 2015 | 699               | 221,656               |
| 2016 | 702               | 222,487               |
| 2017 | 704               | 223,140               |
| 2018 | 706               | 223,778               |
| 2019 | 708               | 224,520               |
| 2020 | 435               | 138,080               |
| 2021 | 268               | 84,919                |
| 2022 | 191               | 60,717                |
| 2023 | 137               | 43,413                |
| 2024 | 112               | 35,381                |

See Appendix A for details on how these estimates were calculated.

## Chapter 4 – Barriers to Providing Workplace Protections

### INTRODUCTION

Surveys show that thanks to campaigns such as Are You OK? increasing awareness of domestic violence in the workplace, most if not all people agree that domestic violence can impact on the life of employees. The vast majority (78%) believe that work entitlements can reduce the impact of domestic violence in the workplace.

(McFerran, 2011, p. 17).

Studies have shown that there are certain conditions that facilitate a woman to leave an abusive relationship. As discussed briefly below, these are:

- Validation
- Access to Information
- Agency to make their own choices

#### Validation

*“Everywhere I turned people did not understand why I stayed in there [the relationship]. They felt like I deserved it.... I couldn’t cry on anybody’s shoulder and so I started isolating myself more and more. He already did a pretty good job of it. What he didn’t do, I finished.”*

(Davis & Srinivasan, 1995, , p. 52)

It is important that people recognise that someone being abused is a victim of crime and that it is not their fault they are being victimised. Most people don’t know what to do when someone discloses details of an abusive relationship to them. Generally, there is sympathy at first, but when the situation doesn’t change and the victim continues to allude to or explicitly talk about the abuse, it has a normalising effect. This explains why, for example, a co-worker often stops being able to see the seriousness of the situation. Co-workers can lose perspective on the fact that the victim can’t help themselves and that (consciously or not) this is why the victims are sharing their experiences with them. Workplaces need systems in place to guide co-workers, by having someone they can speak to in confidence about the situation. This relieves the burden of responsibility on the co-worker and means there is more of a chance that the victim will have access to the help they need. Re-worked HR policies can also serve to protect victims from workplace discrimination, by explicitly including reference to domestic violence in relevant policies, such as anti-harassment policies, special leave policies and flexible working policies. If domestic violence is officially recognised as a workplace issue, steps can be taken to empower victims to break the cycle of abuse.

#### Access to information

People affected by domestic violence need practical access to information about available resources that enable victims to leave an abusive relationship, including refuge services. As victims, there is a lot of fear surrounding the decision to ask for

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### ***Chapter 5 – Paths to Recovery – Productivity Impact***

help. While some workplaces have begun to put up posters about domestic violence, this may not be enough to encourage a victim to act. A victim who knows they have a problem, but does not feel empowered enough to act alone, may display other help-seeking behaviours.

These behaviours may be subtle and nuanced and it would help if employees had had access to some form of training around how to recognise these signs and how to respond in a non-judgemental way. Including relevant scenarios in workshops on dealing with harassment or bullying, for example, may be a way to introduce the subject effectively. In another scenario, where a victim does not acknowledge their status as such, participating in workplace domestic violence training may make them aware of the gravity of their situation and help empower them to act. Motivations for a victim to act can come from minor events. One woman captured this process by which tacit knowledge comes into clear focus:

*“Many things are stored in your unconscious, and they start to come out when you hear something that makes sense. It hits you, and you hold on to it.”*

(Davis & Srinivasan, 1995, p. 56)

#### **Agency to make their own choices**

*“I got to the point when someone tells me something or tells me what to do, my back would go up... I put up with that crap for years. I don't need anyone telling me what to do.”*

(Davis & Srinivasan, 1995, p. 53)

People affected by domestic violence are being controlled in some or all aspects of their lives. It is therefore counter-intuitive to force a victim into getting help. However, people who are aware of the abuse have a responsibility to empower victims to act for themselves by making sure they are emotionally and practically supported by having access to the help that they need. In a workplace context, this may include having the ability to offer flexible working arrangements. These can enable a victim to avoid their abuser more easily, or to visit support agencies during work hours. These arrangements would need to be considered with absolute confidentiality; if a victim does not trust that the details of their private lives remain private (with the exception of a need-to-know basis), they may miss out on potentially key interventions that may have helped them to leave an abusive relationship. Open access to informal flexible working arrangements, for reasons other than caring responsibilities, can facilitate this, especially if managers are aware that the organisations supports this approach.

There are some situations, such as the knowledge of or witnessing a physical assault that necessitates intervention from an external source, namely the police. In these instances, an employer is obliged to break confidentiality, for the safety of the victim and potentially other staff. However, under such circumstances, responsibility bears on the employer to manage the victim's confidentiality in relation to work personnel who are not directly affected.

When asked what kind of support would help them to leave an abusive relationship, a focus group of women who were victims of domestic violence indicated that leave

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provisions would allow them to actively seek formal support (Perrin et al., 2011, p. 2273).

In this Chapter, four potential workplace protections for victims of domestic violence will be discussed:

- i. Flexible Working Arrangements
- ii. HR policies
- iii. Training & Induction programmes
- iv. Days leave

It stands to reason to ask the question that if these provisions are likely to be so effective, what are the barriers to employers taking up workplace protections? This discussion leads to an examination of perceived barriers to potential workplace protections for victims of domestic violence, which can be separated out into the following groups:

1. Economic cost to employers
2. Human reluctance:
  - i. Victims
  - ii. Co-workers
  - iii. Employers

Through dissemination and discussion of these perceived barriers, the protections can be crafted to be more effective, practical and beneficial to victims, their co-workers and employers.

#### **The Current situation . Training by agencies Such as Women's Refuge and Shine are Under-utilised in the Workplace**

New Zealanders are increasingly aware that domestic violence is a workplace problem. However, most employers and employees haven't had specific education to fully realise the magnitude and potential effects about domestic violence and its impact on the workplace; in a way it still isn't being taken seriously. This calls employers' ethics and concern for employees' safety into question. If employers aren't able to take the initiative to educate themselves, implement HR policies and train employees in how to recognise and effectively respond to help-seeking behaviours (essentially take domestic violence as a crime, by New Zealand law as seriously) then legislation is needed to encourage employers to do so. Legislation will also enable effective evaluation and monitoring of systems, facilitating regular improvements in order to maximise the impact on breaking the cycle of violence.

Employers may also currently choose not to utilise workplace training programmes due to cost and the time it takes away from work. Further discussion will explain why this is neither prudentially rational nor conducive to increased workplace productivity.

## **Productivity Gains from Workplace Protection of Victims of Domestic Violence**

### **Chapter 5 – Paths to Recovery – Productivity Impact**

#### **The Economic Cost of Workplace Protection**

Although there are economic costs to employers (that is, direct financial costs plus opportunity costs), the reality is employers are likely to be especially sensitive to short-term direct financial costs. The key ones of these include:

- Perception of time lost from work from flexible working arrangements
- Perceived cost of implementation of human resource policies
- Cost of training and induction programmes
- Work lost through days leave

#### **Flexible Working Arrangements**

Strictly speaking, there needn't be any cost to the employer for providing access to flexible working arrangements. This provision is effectively an exchange of usual working hours for the same number of hours at a different time. There may be administration costs involved.

#### **Implementation and execution of Human Resources Policies**

There are no extra costs to the employer as template policies can be downloaded for free for websites such as [www.2shine.org.nz](http://www.2shine.org.nz). Again, there may be administration costs.

#### **Training and Induction Programmes**

**Figure 10: Estimated number of staff who attend training and costs of training**

##### **Moderate scenario**

| year | number of staff | cost (NZD) |
|------|-----------------|------------|
| 2014 | 42,513          | 15,219,718 |
| 2017 | 44,613          | 15,971,714 |
| 2020 | 46,714          | 16,723,711 |
| 2023 | 48,814          | 17,475,707 |

##### **Optimal scenario**

| year | number of staff | cost (NZD) |
|------|-----------------|------------|
| 2014 | 214,894         | 84,839,801 |
| 2017 | 225,512         | 89,031,818 |
| 2020 | 236,130         | 93,223,836 |
| 2023 | 246,749         | 97,415,853 |

#### **Number of staff who attend in-house training/induction related to domestic violence under optimal scenario**

| year | number of staff | cost (NZD)   |
|------|-----------------|--------------|
| 2015 | 308,920         | 16,063,819   |
| 2018 | 323,930         | 16,844,356   |
| 2021 | 338,940         | 17,624,894   |
| 2024 | 353,951         | \$18,405,341 |

See Appendix A for estimation of the number of staff who attend training and how training is costed

## ***Productivity Gains from Workplace Protection of Victims of Domestic Violence***

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Training is estimated to be the biggest cost to the employer because it applies to all employees. Note though, once the training is implemented, employers are likely to discover that this has a positive net impact on other health and safety issues.

The model draws the following conclusion from its optimal scenario:

Organisations employing more than 100 people are assumed on average to spend in the order of \$30,000 if 100 employees attend out-sourced training programmes (prices have been guided by [www.2shine.org.nz](http://www.2shine.org.nz)) in its first year of implementation. In subsequent years, this amount could decrease as organisations develop effective in-house inductions and workshops for new employees and therefore are likely to be contracting lower level of formal out-sourced training.

### **Days Leave**

The majority of New Zealanders work for employers of 100 employees or more. This is 971,145 people working for 2,150 businesses (MoBIE, 2013).

To show how much money days leave for domestic violence may cost employers each year, the description below sets out the key parameters.

- A company of 400 is likely to employ at least 200 women.
- Given the assumed prevalence rate of 7% of employed women in the workforce are victims of domestic violence, the company may have 14 domestic violence victims working at any given time
- The average amount of time taken off work due to domestic-violence related issues a year is 9 hours (simple averaging per incident based on ACCESS Economics, 2004, p.11).

Research shows that in cases where specific domestic violence leave has been made available to victims, 42% of domestic violence victims take leave as a result of suffering abuse ( *Domestic and Family Violence Clauses in your workplace: Implementation and good practice*, 2011, p.6). In the description above, that would be six women. As noted above, the average amount of time taken off work due to domestic violence-related issues is 9 hours per year. The average hourly wage for women aged 25 to 64 years in the workforce is \$25.53 (Statistics New Zealand, 2013). This means an employer would concede leave equivalent to \$1,378 per annum due to the implementation of leave provisions for domestic violence victims.

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**Figure 11: Estimated victims who take DV leave**

**Moderate scenario and optimal scenario**

| year | number of victims | of number of hours used |
|------|-------------------|-------------------------|
| 2014 | 5,851             | 275,124                 |
| 2015 | 5,872             | 276,122                 |
| 2016 | 5,894             | 277,157                 |
| 2017 | 5,912             | 277,971                 |
| 2018 | 5,929             | 278,766                 |
| 2019 | 5,948             | 279,690                 |
| 2020 | 3,658             | 172,009                 |
| 2021 | 2,250             | 105,786                 |
| 2022 | 1,609             | 75,637                  |
| 2023 | 1,150             | 54,080                  |
| 2024 | 937               | 44,075                  |

See Appendix A for details on how these estimates were calculated.

**Barriers to Flexible Working Arrangements**

**By victims**

In many of the referenced studies, domestic violence victims have expressed the desire for confidentiality as well as wanting to be treated the same as other employees (Yragui et al, 2012, p.36). These are not necessarily mutually exclusive. If employers appoint a trusted employee / HR person (potentially a union delegate) to serve as the point of contact for sensitive issues that include being a victim of domestic violence, an important lifeline is being created as well as making the workplace more attune to employees' personal needs in general.

This has the effect of cultivating a mutually beneficial relationship, as studies show that the more an employer takes a vested, non-judgemental interest in their home life, the more an employee feels compelled to work diligently and with fewer complaints (Hartel et al., 2008, p. 30).

**By co-workers**

Co-workers may accuse an employer of having double standards if they don't know about the abuse a given victim is enduring. To circumvent this outcome, employers could see this as a start to implementing flexible working arrangements for the status quo. There is empirical evidence that benefits for the employer of providing flexibility in the workplace are likely to outweigh any inconvenience (McPherson, 2007, p. 12).

**By employers**

Employers may feel that if they allow domestic violence victims access to flexible working arrangements, it sets precedence for everyone to request changes. However, as

## ***Productivity Gains from Workplace Protection of Victims of Domestic Violence***

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both of the afore mentioned studies show, employees work harder and are prepared to sacrifice more for an employer who takes an interest in their wellbeing.

It should be noted that in 2013, Australia amended its Fair Work Act to state that:

*“An employee may request a change in working arrangements (e.g. hours, patterns, locations) if they are experiencing violence from a member of their family (p. 12)”.*

Further to this, research has shown that current attitudes to employees who take flexible working arrangements are outdated and in fact erroneous. It has been shown that:

- Flexible workers are among the most ambitious, aspiring to the most senior positions
- Flexible workers are more committed to their organisation because their freedom is usually seen as an acknowledgement of the responsibility of the employee and the trust demonstrated by the employer
- Workplaces with Flexible Working Arrangements available rarely trained management in the most efficient ways to work with employees who have access to them

(Smith, *Six Reasons Why Flexible Work Spells Career Death*, 2014)

### **Barriers to HR Policies**

#### **By Victims**

Some victims have indicated that they believe their confidentiality will certainly be compromised if they divulge their problems in their workplace. This speaks to the need for creating a culture change around gossiping in the workplace, as it can have the effects of bullying.

If keeping sensitive information confidential is part of a person's job description, this has to be treated with seriousness and be cause for instant dismissal if this confidentiality is breached. There is a direct correlation between how much an employee trusts management and how hard they are willing to work for them (McPherson, 2007, p 25).

#### **By Co-workers**

Human Resource managers in particular would have to spend time and energy on implementing these policies and informing the workplace. While this may be a time consuming and arduous task, it can also be seen to be a catalyst for updating, streamlining and evaluating all Health and Safety policies. It would send the message to employees that they are valued as people. In turn, employees would reciprocate by increasing engagement and productivity.

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#### **By Employers**

Employers may see these implementations as an exercise in wasting time; however the reasons outlined above will be proof to the contrary. Another barrier an employer may put up is that implementing HR policies around domestic violence is as good as admitting responsibility for domestic violence in the workplace. Note that employers, by law, are already responsible for their employees' safety. Implementing in-house policies provides transparency around an employer's liability and responsibility, the effects of which shouldn't be underrated: employers are likely to enjoy more dedicated and productive staff.

#### Barriers to Training & Induction

##### **Employees**

There is the risk that employees (including victims themselves) may not take workplace domestic violence response training seriously or see it as detracting from important work. However, for those people who waste time at work due to being distracted by domestic violence related issues (wasting the equivalent of \$206 million in lost productivity in our scenario above), this training will provide tools with which to better deal with situations as well as empower people to break the cycle of violence.

##### **Employers**

While training poses the most significant cost to employers, it will ideally result in more interventions, referrals and women breaking the cycle of violence. This means that employers will save time and money on replacing employees whose contracts are terminated. At the current rate of contract termination due to the effects of being a victim of domestic violence (17%), our case study stands to lose \$153 million in replacing employees in 2014, without taking into account recruitment costs for new employees.

**Note that this cost of what is currently experienced by employers for termination of victims' jobs is less than the estimated cost of staff training to provide workplace protections as per the framework's moderate and optimal scenarios.**

#### Barriers to Days Leave:

##### **Victims**

Confidentiality: this is clearly a significant consideration as women won't take up these opportunities if they can't trust it will be in confidence. However, for it to be specific domestic violence leave, victims would need to acknowledge their status as such. As evidenced in Chapter Three, this is more likely if the victim has dependents and has already sought formal support.

## ***Productivity Gains from Workplace Protection of Victims of Domestic Violence***

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#### **Co-workers**

Co-workers would have to pick up the slack from an absent victim, however, people are less likely to be disgruntled or feel put-out if they know that the victim is taking entitled leave rather than just not showing up. For such entitlements to be effective and not cause any workplace disruptions, supervisors and managers have to show strong leadership and the workplace culture may need to shift. While both of these may take time and effort, they can only be positive side-effects of measures put in place to support people during a difficult time in their lives.

#### **Employers**

As shown above, days of leave costs the employer financially and decreases productivity in the immediate future. However, there is more certainty around the attendance of the employee experiencing domestic violence and it appears that a victim who takes domestic violence leave is on a positive trajectory out of the abusive relationship. As can be seen in the example scenario above, this leave would probably be taken up by the minority of victims. It is better for everyone to support victims when they display positive behaviour towards leaving an abusive relationship, than to terminate their contract, accruing costs associated with recruitment and retraining, as well as avoiding any negative effects on the morale of the affected team.

#### **Summary:**

Although there may be perceived barriers to each of the potential protections for people affected by domestic violence in the workplace, each of these barriers serves as a guide to better frame and craft these protections. Potential barriers put up by victims themselves allow policy writers and implementers to see the best ways to approach helping people in need. In the case of co-workers, highlighting barriers can lead workplaces to becoming progressively functional in diverse ways that have far-reaching effects, not only on victims of domestic violence. Finally, compliance by employers is shown to be both prudent and rational, both economically and from a resource management point of view.

The next chapter will show that although these protections will cost employers to begin with, the net benefits will outweigh the net costs.

# Chapter 5 – Paths to Recovery - Productivity Impact

## INTRODUCTION

It is proposed that the suggested workplace interventions can have a positive impact on victims' experience and workplace productivity once the following are acknowledged:

1. Domestic violence is a workplace issue
2. Employment provides a key pathway out of an abusive relationship
3. The current situation in which employers lose hours of productivity can be avoided and in time reversed, so that the employer sees a productivity gain over time.

### Acknowledging Domestic Violence

To empower victims to acknowledge their relationships as abusive, the stigma around being a victim of domestic violence needs to be removed. A way to activate this much-needed culture change is to implement it in the workplace.

If workplaces validate the experience of domestic violence victims by formally acknowledging that it is a workplace issue, victims are more likely to alert their workplaces to their situation and thereby both receive the support required to transition out of the relationship as well as creating a safer working environment for all employees (Swanberg & Logan, 2005).

### Employment as a Pathway out of Domestic Violence

Women have identified concerns about their future financial security as a barrier to leaving abusive relationships (Braaf & Barrett, 2011, p. 7). Victims may stay in an abusive relationship because they have no other way to financially support themselves or their children, therefore gaining and maintaining employment is often a key pathway to establishing a new, violence-free life (Patton 2003, p. 73). Furthermore, some victims view work as offering them an "escape" or "freedom" from abuse or ongoing issues stemming from the relationship, creating a sense of "normality" in their lives and a "space" for themselves:

*... to go to work where my husband wasn't and he had no control over me at work, that was my place of freedom. [Service 3 Client 1]*

(Braaf & Barrett, 2011, p. 85)

Employment thus plays a healing and protective role in the lives of victims of domestic violence, in addition to providing women with a valuable income. Not only does employment provide women with an independent income and the capacity to more effectively plan leaving, but the work they undertake, the work environment and work relationships also enhance women's sense of self and agency (Patton, 2003, p. 75).

## Productivity Gains from Workplace Protection of Victims of Domestic Violence

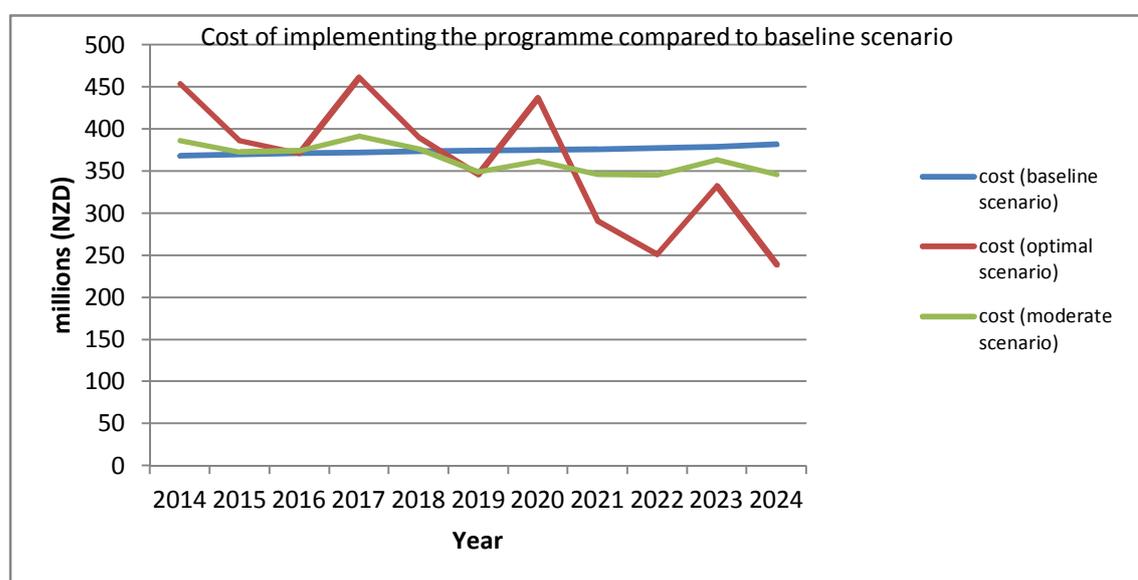
### Chapter 5 – Paths to Recovery – Productivity Impact

More than one in ten of the women (11%) identified work colleagues as key enablers to leaving an abusive relationship (Patton, 2003, p. 43). Significant factors in this support included: a compassionate response to disclosure: practical help to leave, and appropriate referrals.

Employment provides not only important financial resources, but also may raise a woman's self-esteem, thereby providing her with psychological resources to cope with or end an abusive relationship (Brush, 2003). Research also shows that abused employed women who received social and tangible support from co-workers and supervisors experienced less social isolation, improved health, and fewer negative employment outcomes (Staggs, et al, p. 2007). This study has calculated how much the cost of protection to employers is offset by net improvements in productivity assumed to occur after seven years, (this assumption is derived from data collected by Women's Refuge about the pathways for women who move out of abusive relationships). It takes on average about seven years for women to leave the cycle of violence (see Snively, 1998).

#### The Impact of Workplace Protection on Improving Productivity

**Figure 12: Estimated cost of implementing the workplace protection programme under both scenarios compared to the cost of the baseline scenario**



See Appendix A for details on how these estimates were calculated.

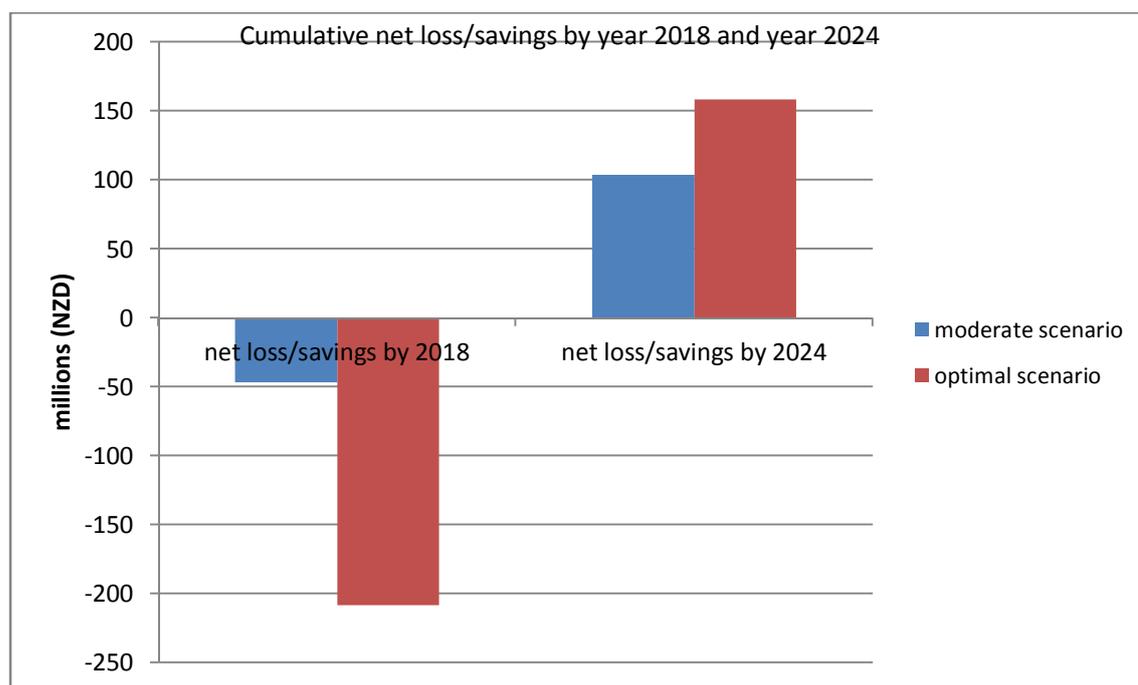
Figure 1 in the executive summary describes the estimated net savings to productivity when workplace protection programmes are implemented (using the costs and beneficial effects that we state in this document). Figure 12 above presents the same information in terms of costs.

## Productivity Gains from Workplace Protection of Victims of Domestic Violence

### Chapter 5 – Paths to Recovery – Productivity Impact

Under the baseline scenario, cost to employers increase proportionally from 2014 to 2024. Under the scenarios where a workplace protection programme is implemented, costs to employers decrease after year 2020. This happens at a faster rate under the optimal scenario compared to the moderate scenario because there are greater protections available. A key difference in the optimal scenario is that employers would invest up front for a longer period prior to the productivity increase offsetting the costs of this investment.

Figure 13: Cumulative net loss / savings by year 2018 and year 2024



See Appendix A for details on how these estimates were calculated.

Figure 13 above shows implementation of the programme initially results in a cumulative net loss by year 2018 because of the costs of the programme (incurred from training, HRM support, etc.). By 2024, implementation of the programme results in a net savings to employers, with about \$104 million under the moderate scenario and \$158 million under the optimal scenario.

### Summary

The workplace is both a prime intervention opportunity and a way of empowering victims to leave abusive relationships. In order to create a culture in which victims do not feel they will be discriminated against, workplaces must formally acknowledge that domestic violence is a workplace issue. Once the gravity of their situations has been acknowledged, victims are able to be supported on the pathway out of violence. The proposed workplace protections discussed in this report will have a positive impact on the health and safety of all employees (not only victims), thereby increasing productivity across the board.

## Chapter 6 – Scenarios

To explore the pattern of the changes in productivity and the conditions of victims of domestic violence in the workplace, the framework starts with the base year of June year 2013 and projects costs, changes in productivity and in the conditions of victims based on three scenarios.

While any number of scenarios can be specified, the framework deliberately identifies three to be examined. This is because the purpose of the scenarios is to explore a range of outcomes and as the projections of the future changes is assumption based, to show these as possibilities as opposed to exactitudes. The comparison of the scenarios provides a basis for gaining insights about the net impact of changes. For example, the changes modelled by the framework include features of change over time including:

- Employer benefits less direct costs
- New entrants to the workforce who are victims of domestic violence less those who manage their lives to achieve greater stability
- The effects that generate improvements in productivity less the financial and economic costs of reductions in productivity because of the actions surrounding victims of domestic violence; and,
- The direct costs to employers of investing in workplace protections and the reduction in costs to employers because of the investment in workplace protections.

The three scenarios are:

- Baseline
- Moderate
- Optimal

All these scenarios are related to the base year.

### BASE YEAR: JUNE 2013

The March 2013 Population Census is applied and it provides the basis to specify the impact of workplace protections based on the June year 2014. Where possible, other data used in the framework is based on 2013 data sources.

To calibrate the impact of domestic violence, based on population data, a variety of references provide the knowledge about victims of domestic violence.

- Each year, 18.2% of women (Fanslow and Robinson, 2011, p.747) between 15 and 64 are victims of domestic violence (this can be calibrated).
- 41% of these women are in paid employment (Patton, 2003). (This number can be calibrated based on Labour Force Survey to June 2013).
- For the break down between groups, (case study of single and partnered women applied based on 2013 Census).

## ***Productivity Gains from Workplace Protection of Victims of Domestic Violence***

### ***Chapter 6 – Scenarios***

#### **Baseline Scenario:**

##### *Status Quo: No Explicit Workplace Protection for Victims*

The baseline scenario projects the population of the victims of domestic violence in the workplace, broken down by the case study groups. The population continues to grow with the trends in population growth and the cost to employers grows at the same time, expressed in additional days leave, failure to come to work on time, leaving work early, time that colleagues and staff are distracted at work, the estimated simple average annual number of deaths per year of victims of domestic violence who are also in the workplace.

A significant cost to employers modelled by the baseline is the unanticipated amount of paid leave taken. The literature shows that there are other significant impacts for other staff and so on ó these are not modelled - so the baseline costings of lost productivity to the employer are conservative.

#### **Moderate Scenario:**

The moderate scenario is projected based on changes in workplace protections where the costs to the employer will be recovered within a short period of time. While this is a less risky approach, the productivity gains are lower in the 11 year period covered by the framework.

##### *Workplace Protection Implemented Over 5 Years*

- Induction programme: There is no cost to employers for this modelled by the moderate scenario. Given the current absence of formal requirements of induction suggests that under the moderate scenario, there would, on average, be minimal induction for all staff and so the effectiveness of this would also be minimal. Employers with more developed human resources strategies currently have more comprehensive and more effective induction programmes. Under the moderate scenario, these will be updated using a common template available on-line to employers.
- Training programme: Only minimal for the moderate scenario because even though relatively inexpensive training programmes exist through Shine and Women's Refuge, very few employers use them. The moderate scenario includes costs for the training of human resources personnel, mid-level management and a fixed count of union delegates. : a percentage of employees in organisations with 100 employees or more have been put through a 1 day training programme focused on the definitions and approach to colleagues experiencing domestic violence. The costs for this are estimated based on the Shine costs of training plus 1 day not doing any specific work.
- Human Resource capability around flexible working arrangements for specific domestic violence is assumed to be part of their normal role.
- An entitlement to up to 10 days leave per year is made available by employers to victims of domestic violence who provide documentation to them. This entitlement is significant under the moderate scenario and has been calibrated for the group of women with dependents who have acknowledged that they were victims, then sought support and documented their situation to employers. The benefits to the employer will be that they can expect the victim to move out of the vulnerable state, hence increasing productivity (reflected through fewer days

## ***Productivity Gains from Workplace Protection of Victims of Domestic Violence***

### ***Chapter 6 – Scenarios***

special leave because there are reductions in the number of victims even while new victims join) AND a future of consistent workplace engagement.

- Changes in productivity: the productivity impacts for the moderate scenario are estimated based on less leave, less distraction at work, less incidence of arriving late and leaving early, and fewer victims who are fired from their jobs or resign.
- The expectation is that those victims entitled to the extra leave will be empowered to acknowledge their abusive relationships and the uncertainties that stem from abuse because of fear, crisis, harassment etc., opening up access to the comprehensive support they require, hence being able to engage with paid work more reliably ó for the two scenarios, it is assumed that this will take a shorter time than possible without both the leave and the ability to seek the appropriate support structures.
  - A proportion of victims are already in the 7<sup>th</sup> year of breaking the cycle and so the implementation of workplace protections will enable them to become survivors in year one with the additional support the workplace offers them ó the workplace protections will also speed up the recovery of victims at other stages of the cycle
  - The framework takes this impact into account, reflected in a lower take-up of the days leave available such that while the allowance is for up-to 10 days, the average is lower.

#### **Optimal Scenario:**

Although labelled as the 'optimal scenario' as the short time, the actual title of this scenario would be 'More Optimal Scenario' as it includes protections being implemented over time and with increasing availability and access to employees.

#### ***Workplace Protection Plus Monitoring Implemented in 2 Years***

- Induction programme: A description of Domestic Violence induction programmes made available on-line to all employers. With the implementation of induction, a bigger proportion of vulnerable women will achieve support in the workplace as do their colleagues.
- Training programme: These are modelled, with a bigger uptake by employers across all types and size of firms and this provides protection and information to all three groups of vulnerable women as well as staff and colleagues, with a specific programme for human resources managers, reducing hazards.
- Human Resource capability around flexible working arrangements, ways to navigate these processes without creating further risk (such as loss of confidentiality) plus capacity to provide advice, support and care for victims, as well as for the colleagues of victims.
- 10 days special leave declines over time as victims of domestic violence become more confident and self-sufficient, managing the effects of domestic violence at home and at work.

## Chapter 7 – Findings and Recommendations

The framework designed for this project has been developed over a short timeframe, based on available data, existing references and feedback from knowledgeable parties. It is indicative only. It is designed so that the effects of different packages of workplace protections can be compared with the current (status quo) situation.

Nevertheless, the framework is based on robust current population data for New Zealand and valid survey results about workplace behaviours. Its calibrations demonstrate that current costs of domestic violence to employers are significant and that productivity gains from workplace protections have the potential to more than compensate for the costs of the protections to address domestic violence. They would be offset in less than the 7 years that it takes on-average for victims of domestic violence to move from dysfunctional, abusive environments to become survivors. In the survivor stage, their lives and their impact on their children/family/whanau and co-workers are calmer and better organised.

With workplace protections, victims can rebuild their lives at a faster rate because of the confidence succeeding in paid employment provides.

### Findings

For 2014, it is estimated that there are 111,070 women experiencing domestic violence in the workplace, based on the assumption that 7% of women in the workplace are victims. Some attendees at the 11 February 2014 workshop (see Appendix C) have experiential evidence that the number is likely to be larger than this. When seen over a woman's lifetime, the literature finds that those experiencing domestic violence can be as high as 1 in 3. (Fanslow and Robinson, 2011, pp. 747).

In the absence of workplace protections, it is estimated that the hours of leave taken due to the negative effects of domestic violence (Access Economics, 2004, pp. 21 ó 23) in 2014 were (assuming a 6.3-hour working day and 220-day working year):

- 110,209 (17,493 days or 79 years) hours lost to the workplace due to victims leaving work early or arriving late to work
- 5,986,735 hours (950,725 days or 4,321 years) lost due termination of employment
- 8,104,773 hours (1,286,473 days or 5,848 years) lost due to victims being distracted at work
- 168,425 hours (26,724 days or 121 years) lost to the workplace due to physical abuse.
- Sexual abuse accounted for 51,303 hours (8,143 days or 37 years)

and,

## ***Productivity Gains from Workplace Protection of Victims of Domestic Violence***

### ***Chapter 7 – Recommendations***

- Hours lost due to stalking were 8,885 hours (1410 days and 6.4 years).
- If nothing was to be done, by 2024 the number of working hours lost through domestic violence is estimated to be 14.4 million hours (2.3 million days or 10,412 years).

These estimations results in an average loss of 130 working hours for a victim of domestic violence in 2014 alone. It is worth noting that relevant research conducted in the United States has estimated a reduction in productivity of 137 hours for the average victim (Tolman & Wang, 2005). The estimates we produced may be conservative as the effects of psychological damage and harassment were excluded from the survey data used to estimate the time lost.

#### **Victims: Women, their Children, Colleagues and Family**

When people are victimised while participating in the workforce, their children and other family members are affected. In addition, colleagues and other staff can also be affected due to uncertainty about the victim's safety and how to offer support. While this is also believed to have significant impact on productivity, it is outside the scope of the framework developed for this analysis.

The approach in this study is to estimate the productivity from workplace protections, in terms of the impact on groups of victims with similar characteristics. The three main groups were:

- victims without dependents
- victims with dependents , and have sought formal help
- victims with dependents , and have not sought formal help

The groups most likely to seek help are victims with children who have sought formal support outside the workplace. In 2014, given the absence of workplace protections currently, this group is conservatively estimated to be 17,414 (15.8% of the total number of victims), which generates 3,668 hours lost due to physical abuse, 993 hours due to sexual abuse and 138 hours due to stalking.

#### **Findings**

The cost of \$371 million to employers in 2014 can be broken down with the main cost components being hours of production lost due to being distracted at work, tardiness, days of leave lost, and termination of employment.

The implementation of the programme of protections for domestic violence victims in the workforce initially results in a cumulative net loss to employers because of the costs of the programme (incurred from training, HRM support, etc.). By 2024, however, the implementation of the programme results in a net savings/productivity gains to employers. The framework designed for this project estimates these to be about \$84 million under the moderate scenario and \$480 million under the (more) optimal scenario.

## **Productivity Gains from Workplace Protection of Victims of Domestic Violence**

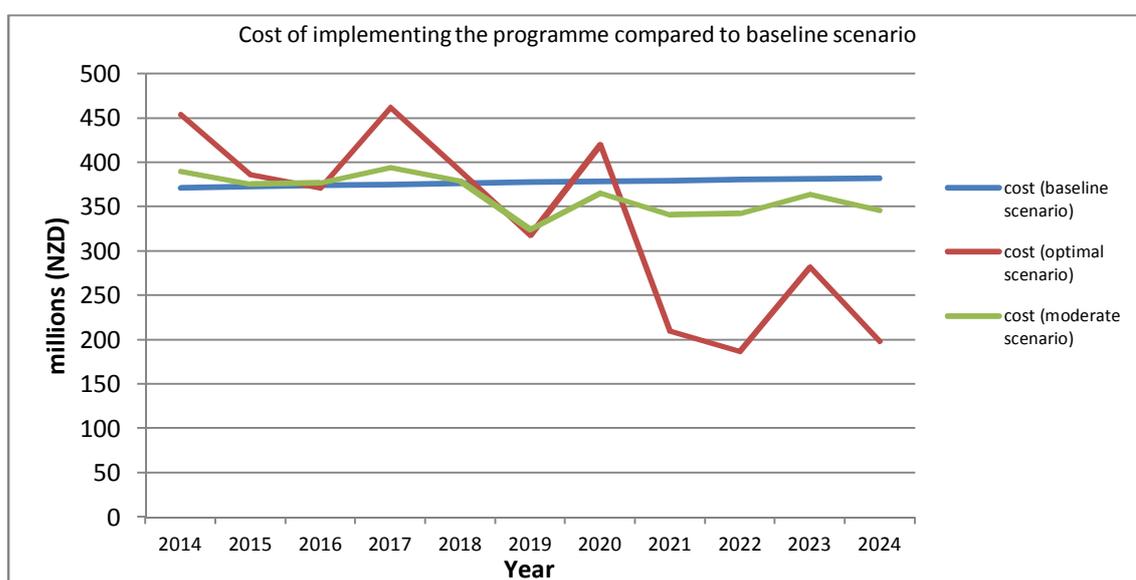
### **Chapter 7 – Recommendations**

Figure 14 below shows the cost of implementing the programme versus the cost of the baseline scenario.

Under the baseline scenario, costs to employers in New Zealand are between \$350 million to \$400 million per year.

Under the moderate scenario, this cost starts to decrease after year 2020, and the decrease is larger under the optimal scenario.

**Figure 14: Cost of implementing the workplace protection programme under both scenarios compared to the cost of the baseline scenario**



This is based on an analysis of the New Zealand-wide population and recommended workplace protections that include 10 days leave, workplace training, induction and flexible working arrangements. This study has calculated how much the cost of protection to employers is offset by net improvements in productivity assumed to occur after 7 years, (this assumption is derived from data collected by Women’s Refuge about the pathways for women who move out of abusive relationships).

The protections specified for the framework have been the focus of the analysis because experience to date demonstrates that they are particularly effective in creating the conditions where victims can stay engaged with their jobs. The framework for this analysis has been designed so it can also be applied as a monitoring tool so that the actual effectiveness of these can be assessed over time.

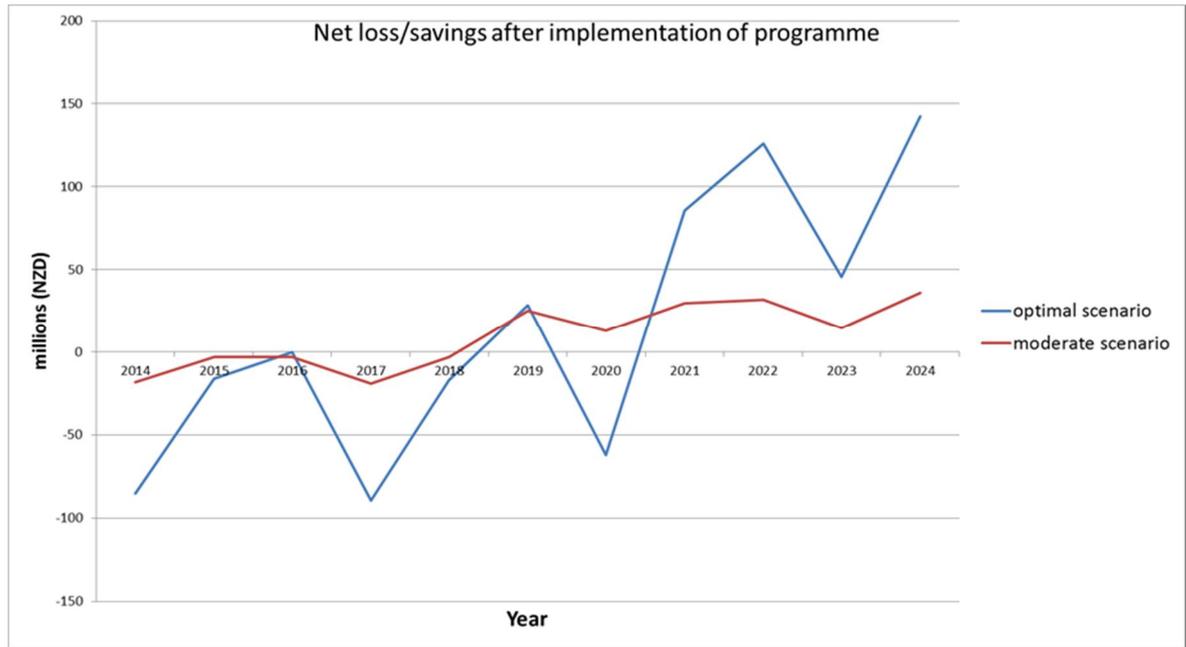
The implementation of workplace protections has the potential to de-stigmatise domestic violence victims and empower victims to acknowledge their abusive relationships, opening up access to the comprehensive support they require. This is reflected in both the moderate and optimal scenarios. In the latter case, victims who have chosen not to disclose the problem to employers also are able to move into safer relationships at home and at work.

**Productivity Gains from Workplace Protection of Victims of Domestic Violence**  
**Chapter 7 – Recommendations**

**The Pathway to Recovery: Productivity Impact**

Figure 15 shows the change in net loss or savings in millions of NZD under the moderate implementation scenario and optimal implementation scenario. This is the difference in cost between the baseline scenario (where no programme is implemented) and the cost incurred if a workplace protection programme is implemented.

**Figure 15: Net loss / savings to employers in millions of NZD under the moderate and optimal scenarios**



Under both the moderate and optimal scenarios, implementation of the programme results in a net loss for the first five years (from 2014 to 2018). After 2018, implementation of the programme results in net savings for employers under both scenarios. There is greater net savings under the optimal scenario compared to the moderate scenario from year 2021 to year 2024.

The framework measures the productivity impact by calibrating the reduction in days lost (and subsequently, reduction in dollars lost) because of increased productivity.

***Productivity Gains from Workplace Protection of Victims of Domestic Violence***  
***Chapter 7 – Recommendations***

## RECOMMENDATIONS

The way that the implementation of domestic violence specific workplace protections in the workplace lead to increased levels of production and productivity is set out by the framework, demonstrating that the value of this will offset the current (hidden) costs of domestic violence and the projected costs of the implementation of workplace protections. Based on the insights gained from the framework developed to examine the cost of workplace protections and the productivity gains, the recommendations are:

- To inform and seek acknowledgement by employers, unions and peak bodies that domestic violence is a work issue with impacts that are potential workplace hazards which also generate costs of recruitment, retraining and retention
- That employers create and implement tailored domestic violence human resources policies that can be integrated with existing health and safety policies, including induction and training to accurately inform employees:
  - about domestic violence in the workplace
  - of their rights in relation to domestic violence in the workplace
  - of the protocols and procedures surrounding domestic violence in the workplace
  - That unions and employers collaborate in workplaces on developing protocols advocating for victims of domestic violence and relevant induction and training programmes, as has been the case in Australia.
- That an on-line induction module be prepared that is freely available to all organisations which includes knowledge about domestic violence and to work with large employers to implement the domestic violence information section into their induction processes as soon as possible, both for new and long serving employees
- To work with peak bodies to motivate take up of existing programmes focused on training to recognise, respond to and reduce domestic violence
- Based on successful overseas practice, develop and implement a national policy that entitles victims of domestic violence to up to 10 days special leave (non-accrued) for specific requirements to address and resolve domestic violence problems (Note that the presentation of documentation by those affected by domestic violence triggers this entitlement which is a current expense for employers rather than a liability on the balance sheet)
- To align the national policy with a monitoring tool based on the framework developed for this project to understand what does and does not contribute to workplace gains for victims and employers and to assess the costs and benefits of the leave entitlement and other workplace protections
- Set up an evaluation process to identify effective workplace protections and to inform the specification of replacements for ineffective ones.

***Productivity Gains from Workplace Protection of Victims of Domestic Violence***  
*Glossary*

## Glossary

**Abuser:** The perpetrator of the physical, emotional, sexual actions that underpin domestic violence.

**Domestic violence:** Domestic violence includes physical, emotional, sexual and financial abuse.

**Harm:** The effects of domestic violence experienced by victims.

**Hazard:** Definition to be added to the Health and Safety in Employment Act, 1992  
“ includes a situation where a person’s change in behaviour stems from being a victim of domestic violence or being the person who inflicted the domestic violence...”

**Opportunity Cost:** The cost of something in terms of an opportunity forgone (and the benefits which could be received from that opportunity), or the most valuable forgone alternative (or highest-valued option forgone), i.e. the second best alternative.

**Survivors:** For this project, women who have experienced domestic violence who have taken explicit steps first to acknowledge that physical, emotional, psychological, sexual and financial violence unacceptable and then have taken the steps, including seeking appropriate advice and support, to move into a lifestyle where there is an absence of violence and crisis and a growth of stability and self-sufficiency. When in the workforce, both the quantity and quality of engagement with work will have improved.

**Victims:** For this project, victims are women who have experienced domestic violence who are in paid employment. They are particularly vulnerable in the workplace due to the predictability of the workplace or their working hours or both. Also for the purposes of this analysis, victims are only the women in the workforce who have experienced domestic violence. It is important to note that men can also be the victims of domestic violence and further that the workplace protections specified can also have a positive impact on abusers, leading to productivity improvements for their employers.

**Victims as defined for the Moderate Scenario as eligible for formal employer support:** A victim of domestic violence is a person who has provided their employer with a document signed and dated by a constable, doctor, lawyer, social worker, or representative of a specialist agency certifying that the victim has suffered from domestic violence.

**Working Arrangements:** This provision, to be included in the Employment Relations Act 2000, separates out working arrangements for people who are victims of domestic violence (who remain eligible for all other agreed working arrangements), to include:

- Location of workplace
- Duties at work
- Extent of contact details that must be provided to the employer
- Any terms that in the employee’s view needs variation to enable him or her to deal with the effects of being a victim of domestic violence.

## Appendices

# Appendix A – Framework for Calculation of Productivity Change

### Population of female victims of domestic violence in paid employment

To obtain estimates of victims for each year, population projections (under the 5<sup>th</sup> percentile scenario) for females in New Zealand were obtained from 2014 to 2024. These populations were multiplied by the prevalence of victims of domestic violence, which is 18.2% as reported in Fanslow (2010) and further multiplied by 41% to give the number of victims in full time employment (Patton, 2003).

The population of victims was further broken down into:

- victims without dependents
- victims with dependents but have sought formal help
- victims with dependents but have not sought formal help

This breakdown was estimated using Census 2013 partnership data first to distinguish between victims with dependents and those without. Research conducted by Fanslow (2010) was used to estimate the number of victims who sought formal help (such as womensøshelter and counselling services).

### Assumptions:

1. Employment rates and marriage rates stay constant across the eleven-year period.
2. The prevalence of domestic violence in paid employment does not differ from the prevalence in the general female population.
3. The prevalence of domestic violence remains constant across time.

### Baseline scenario

In our model, the negative effects of domestic violence were estimated to be driven by four factors:

1. Absenteeism caused by physical abuse, sexual abuse, and stalking ó The number of victims who experienced physical abuse, sexual abuse, and stalking was estimated using rates from Access Economics (2004), and this was multiplied to the average number of incidents per year and average days taken off work (Access Economics, 2004, p.11).
2. Leaving work early or arriving late to work this is estimated using information from Access Economics (2004) which reports that 35% of victims are late for work or leave early an average of nine times a year, and 38 minutes is lost for each incident of tardiness. The article also reports that 50% of lost time is made up at a later date.

### ***Productivity Gains from Workplace Protection of Victims of Domestic Violence***

3. Termination of employment ó using rates specific to a sample of domestic violence victims (Yragui, 2012, p.36). The cost of this to the employer is modelled only as the average number of working hours lost as a result of finding a replacement for the victim terminated from employment and the cost of training the employee (Percival, Cozzarin & Formanek, 2013, p.21). The actual cost of terminating an employee is likely to be higher than the estimations provided in this model.
4. Being distracted at work (Reeves & O'Leary-Kelly , 2007) which estimates that victims are distracted for 73 hours per year more compared to non-victims.
5. Death (New Zealand Police) ó a simple average of four deaths per year was estimated from the total number of female deaths due to domestic violence from 2004 to 2011.

These effects were modelled as number of working hours lost (and subsequent costs in wages) due to the first four factors. The effect of the deaths of victims in the workforce is taken into account in regards to the costs of lost days worked and of recruitment and retraining of new staff. If the overall costs of loss of life were also taken into account, the annualised costings would be several million dollars higher, based on the value of life as calculated by the Ministry of Transport.

#### **Assumptions:**

1. Incidence rates from other countries and time periods assumed to apply to New Zealand
2. Incidence rates are assumed to be constant
3. Incidence rates are assumed to be independent of each other, e.g. it is very likely that the percentage of victims who are physically abused AND fired is not the same as the percentage of victims who are physically abused plus the percentage of victims who are fired.

#### **Moderate scenario**

The effects of the programme are:

1. A larger percentage of victims who have sought support are assumed to leave the relationship after 5 yearsó this takes effect from year 2019 until year 2024, and results in a smaller population of victims who have sought help at the end of each year over that period. This effect is assumed to decrease with time as the pool of victims that have sought help becomes smaller (see discussion below on this assumption). For this population of victims, we assume that all the negative effects that would have decreased their productivity under the baseline scenario no longer apply to them (in terms of hours of work lost). We have estimated the percentage of victims who leave the relationship based on a survey of attitudes towards help-seeking behaviours after a domestic violence training programme (Urban). The programme and the survey were conducted on a sample of 1,193 employees in San Francisco, California from 2001 to 2003. 60% to 81% of employees reported that they were more likely to seek help if they were abused, and therefore we used an average of 70% in the framework. The baseline percentage for seeking formal help is approximately 31.5% as reported in

## ***Productivity Gains from Workplace Protection of Victims of Domestic Violence***

Fanslow (2010). We estimate that 38.5% additional victims are more likely to seek formal help with the implementation of workplace protections. This percentage is assumed to decrease by 10% every subsequent two years as we are conservatively modelling the efficacy of a programme that decreases after the first year of implementation. Further data may prove our assumption wrong.

2. Flexible working arrangements ó A percentage of victims who have sought support are assumed to take flexible working arrangements to compensate for the hours lost because they arrive to work late or leave early. Research has shown that victims would like some form of flexibility with regards to their workload, as many as 84% claim that they would like this form of support. (Perrin et al, 2011, p.2272). To take a conservative approach to estimating the benefits of this protection. It is further assumed that flexible working arrangements are only 50% effective in reducing the number of hours lost.

The costs of the programme are:

1. A proportion of the 42% of victims who have sought support are assumed to take a fraction of the 10 days leave available to them under the leave entitlement. This cost is modelled as the number of working hours lost and the subsequent wages. As victims will be at different stages of leaving or addressing their relationship, their needs with regards to entitlement-based leave will be different. We have assumed that a fifth of victims will need an extra two days per year, another fifth will need an extra four days per year, and so on See below for a discussion of these assumptions.
2. Training regarding domestic violence will be made available for HR personnel, middle-level management, and union delegates for organisations with more than 100 staff. Estimation of this number of employees is based on data from Statistics New Zealand (2013), Plimmer et al. (2013), and the SSC (2013), and is estimated for the years 2014 to 2024 using a linear regression. The frequency of training is based on a 3-year cycle, and it is assumed that 20% of the staff in the roles mentioned above will take up training The costs incurred are
  - a. Time spent in training
  - b. Training fees

Both costs are based on a one-day training programme from SHINE NZ.

The number of hours saved because of the effects of the programme is taken away from the number of hours lost due to the effects of domestic violence. This gives a net number of hours lost or saved at the end of the year and is multiplied by the average hourly wage for females (Statistics New Zealand, 2013) to give the net loss in dollars. The fees of the training programme are then added to this sum to give the cost/benefit incurred as a result of implementing this programme.

## ***Productivity Gains from Workplace Protection of Victims of Domestic Violence***

### Optimal scenario

Changes to the effects of the programme:

1. There is an additional effect of the programme under the optimal scenario. Because of extensive HRM support (referral to internal or external counselling services, supervisor support, etc.), a percentage of victims who seek support are estimated to avoid being terminated from their jobs (Yragui, 2012 p. 36, Urban).
2. Victims who have not sought support and victims without dependents are modelled to leave their relationships from year 2021 onwards. This is based on the assumption that a more extensive implementation of the programme is done.

Changes to the costs of the programme:

1. Mid-level management, union delegates, and HR staff attend a 2-day training course, while senior management attend a 1-day training course. The training fees are also based on the programmes advertised by SHINE NZ.
2. As an effect of more extensive training, in-house training/workshops for a percentage of employees other than mid-level management, HR, and union delegates is carried out in the year after training is provided. We assume that about 40% of all other employees working in organisations with more than 100 employees will be exposed to in-house training and induction.

## Appendix B – Assumptions and Caveats

With regards to victims leaving their relationships, we have made the following caveats and assumptions in our framework to estimate the effects of workplace protection programme:

1. Victims who have sought support are most likely to leave their relationship.
2. We have not modelled any movement between victims from the different case study groups. That is, we have not estimated the number of victims who have not sought formal help, but have done so in subsequent years. This results in a steadily-shrinking number of victims who have sought support, over time but an unchanged number of victims in the other categories.
3. We know that victims who have attended induction or training programmes report that they are more likely to seek support, but we don't know how they often and how quickly they will do this.

To address these issues in our framework, more data is needed. One way of filling these gaps in our knowledge is to conduct a longitudinal study on victims of domestic violence to investigate the 'life cycle' of an abusive relationship. A longitudinal study will also allow us to build a more complex model of the population of domestic violence victims in New Zealand as we will have better knowledge of the factors that drive victims into abusive relationships, the factors that maintain these relationships, and the factors that cause victims to leave.

With regards to estimating the costs of training and days leave, we have made the following assumptions in our framework:

1. We have estimated costs only for organisations with 100 or more employees as these organisations are more likely to have the relevant HR systems in place. In 2013, there were 915,810 employees working in these large organisations.
2. The number of HR staff is based on the percentage of HR and other legal and finance professionals (5%) in the public sector using data from the State Services Commission (2013). This is an overestimate of the number of HR personnel that work in organisations with more than 100 employees. Census 2013 data report that there are 14,589 employees who are classified as 'Human Resources Managers', 'Human Resources Officers', and 'Training and Development Officers'. Meanwhile, the Human Resources Institute of New Zealand claims that it serves '4000+' individual members who make up 47% of the known New Zealand HR market. This amounts to at least 8,500 HR personnel. Clearly, the estimated number of HR personnel in New Zealand is different depending on which source is used.
3. The number of middle-level management and senior management is also based on data collected from the public service (Plimmer et al, 2013). It is estimated that 17.7% are team leaders or middle-level managers while 1.2% are senior managers. We assume that these percentages hold in large organisations in the private sector as well.

### ***Productivity Gains from Workplace Protection of Victims of Domestic Violence***

4. We have also estimated that the take-up to such training will be limited to 20% of the HR staff and managers and that training will happen on a three-year cycle. Increasing the take-up and increasing the frequency of training will increase costs as well. These data can be updated if these parameters are monitored over time.

While research has shown that victims of domestic violence tend to take leave related to the effects of the abuse that they suffer (Access Economics, 2004), we do not know for certain if they take more days off at different stages of their abusive relationship. More research is needed to accurately model the take-up of this entitlement.

In summary, the costs of domestic violence to employers are estimated with more confidence compared to the beneficial effects of the programme because more data is available about the negative effects of abuse but less is known about the efficacy of such programmes. This emphasises the importance of using the framework or other monitoring tools to assess the outcomes of implementing workplace protection programmes.

## Appendix C – Workshop

### Workshop 11 February 2014: Productivity Gains from Workplace Protection for Staff Affected by Domestic Violence

Domestic violence is a significant problem in New Zealand that requires a society-wide response. The body of research about domestic violence over the past 30 years finds conclusively that staying in employment is critical to reducing the effects of violence. Security of employment enables those affected by domestic violence to maintain domestic and economic stability, in this way assisting them to find a pathway out of violence and to successfully build their lives.

There is a growing body of evidence that as well as the potential for breaking the cycle of domestic violence, the introduction of workplace protections for people affected by domestic violence both saves employers costs (recruitment, retention, retraining, health and safety) and increases productivity. The PSA has commissioned a project to estimate the impact on workplace productivity of measures aimed at protecting the victims of domestic violence.

Given the short time available for this project, the framework applied (to specify the workplace protections, calculate the costs and assess the changes in productivity) is based on assumptions and estimates. The purpose of this workshop is to review the specification of the framework prior to calibrating the results.

#### Purpose of Workshop

1. To review the framework for assessing the impact on productivity of protecting victims of domestic violence in the workforce
2. To assist with filling the gaps in information including knowledge about other statistical series, reference material to provide evidence based on other studies and perspectives on defining the assumptions that are applied in the absence of either and/or to adapt information for NZ conditions
3. To provide insights about the experience relevant to understanding and specifying the conditions faced by victims of domestic violence in the workforce and about the optimal way of supporting them to remain in the workforce and to enhance productivity.

## ***Productivity Gains from Workplace Protection of Victims of Domestic Violence***

### WORKSHOP ATTENDEES

#### ***Wellington Based***

- Brenda Pilott, PSA, Project Sponsor
- Suzanne Snively, Workshop Facilitator
- David Fowler, Senior Advisor SSC
- Girol Karacaoglu, Deputy Secretary, Chief Economist, The Treasury
- Heather Henare, CEO Women's Refuge
- Bryan Ku, Statistical Research and Specification of Framework
- Sherilee Kahui, Desk Research and Report Drafting
- Paul MacKay, Manager Policy, Business New Zealand
- Dr Michael Macaulay, VUW School of Government (Host)
- Bill Rosenberg, Chief Economist, CTU
- Kirsten Windelov, PSA

#### ***Auckland-based (by Skype)***

- Professor Nigel Haworth, University of Auckland, Professor Human Resources Management (Host)
- Ross Barnaby, Auckland District Police Commissioner
- Holly Carrington, SHINE
- Robyn Dixon, Family Violence ClearingHouse
- Keith Hargis, Human Resources, Auckland Council
- Dr Philippa Reed, Diversity Manager, Employment Relations, Human Resources, Auckland Council
- Kirsten Rei, CEO Owen Glenn Inquiry

#### **Workshop Agenda . 11 February 2014, 2:45pm-5:00pm**

**Wellington:** VUW School of Government, Pipitea Campus, Rutherford House, Rm 819, 8<sup>th</sup> Floor

Host: Professor Michael Macaulay, (04) 463 5307

**Auckland:** Owen G Glenn Building, 12 Grafton Road, Faculty of Business and Economics, Rm 4102, 4<sup>th</sup> Floor (parking under the building)

Host: Professor Nigel Haworth, (09) 523 9235

**Facilitator:** Suzanne Snively +64 21 925 689

- Arrive 2:45pm
- Welcome and introduction 3:00pm (Brenda Pilott)
- Short presentation 3:05pm (Suzanne Snively/ Sherilee Kahui)
- Discussion of premise behind the framework: protecting victims of domestic violence in the workforce and the way this effects productivity: key drivers (3 breakout groups) 3:15 to 3:45pm
- Plenary for feedback about the premise 3:45-4:00pm
- Presentation re framework: key parameters and 3 scenarios (Suzanne Snively/Bryan Ku) 4:00pm
- Discussion of key parameters and assumptions 4:15pm (Plenary)
- Discussion of three scenarios 4:30pm (Plenary)
- Next steps 4:45pm
- Thank-you 4:55pm (Brenda Pilott)

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## ***Productivity Gains from Workplace Protection of Victims of Domestic Violence***

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