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FISCAL IMPACT REPORT

SPONSOR	<u>Moore</u>	ORIGINAL DATE	<u>1-24-06</u>	LAST UPDATED	<u></u>	HJM	<u>008</u>
SHORT TITLE	<u>STUDY BULLYING IN NM WORKPLACES</u>			SB	<u></u>		
					ANALYST	<u>Lucero</u>	

SOURCES OF INFORMATION

LFC Files

Workplace Bullying: Introduction to the "Silent Epidemic" by Gary Namie, PhD and Ruth Namie, PhD

Canadian Centers for Occupational Health and Safety

Responses Received From

Department of Labor (DL)

Children, Youth and Families Department (CYFD)

Human Services Department (HSD)

State Personnel Office (SPO)

Economic Development Department (EDD)

SYNOPSIS

HJM 8 resolves that the Labor Department be requested to convene a task force to study the many facets of workplace bullying in New Mexico and the ways to reduce it. The memorial further resolves that the task force be comprised of one representative each designated by the Secretary of Labor; the Secretary of Human Services; the Secretary of Children, Youth and Families; the Secretary of Economic Development; the Director of the Risk Management Division of the General Services Department; and the Director of the State Personnel Office. HJM requests that the task force report to the interim legislative Health and Human Service committee by its October 2006 meeting with recommendations on strategies to decrease the incidence of workplace bullying in New Mexico

HJM 8 further resolves copies of this memorial be transmitted to Secretary of Labor; the Secretary of Human Services; the Secretary of Children, Youth and Families; the Secretary of Economic Development; the Director of the Risk Management Division of the General Services Department; and the Director of the State Personnel Office.

SIGNIFICAN ISSUES

House Joint Memorial 8 addresses bullying in the workplace, and the stress-related problems that occur when employees are bullied. Also stated in the memorial are the negative consequences of

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ignoring bullies in the workplace including, the effect on the health and economic status of an employee and the costs of increased health care premiums to the employer due to increased health care utilization by employees.

Other states are addressing this issue through legislation and education. HJM8 would create a task force to study the facets of workplace bullying in New Mexico and ways to reduce it. The task force would consist of a representative from six State agencies chosen by the Secretary of each agency. The task force will be expected to report its findings and strategies to decrease the incidence of workplace bullying to the interim legislative health and human services committee by its October 2006 meeting.

FISCAL IMPLICATIONS

From Workplace Bullying: Introduction to the “Silent Epidemic” by Gary Namie, PhD and Ruth Namie, PhD:

Several reasons for employers to address workplace bullying:

- It is 3 times more prevalent than sexual harassment.
- It is costly: Turnover is expensive. Increased health care utilization can result in hefty premium costs borne by employers
- Data to prevent bullying-related losses exist (HR systems hear the complaints)
- Fear-driven workplaces with poor morale undermine commitment and productivity of all employees.
- Employee recruitment and retention are made more difficult when the employer’s reputation is harmed.

This memorial does not have an amount set forth to pay for mileage and per diem for attendance at such meetings.

SIGNIFICANT ISSUES

From Workplace Bullying: Introduction to the “Silent Epidemic” by Gary Namie, PhD and Ruth Namie, PhD:

“Until recently, Workplace Bullying, the imported British term, was unfamiliar to most Americans. Yet one in six US workers experiences its adverse consequences. Workplace Bullying, the term coined by a British journalist, is defined as “status-blind” interpersonal hostility that is deliberate, repeated and sufficiently severe as to harm the targeted person’s health or economic status.” “It rarely involves fighting, battery or homicide; so it is sub-lethal, non-physical, psychological violence. It crosses boundaries of gender, race and organizational rank.”

“Remarkably, in only 25% of bullying cases does the target have protected group status, potentially qualifying incidents as sexual harassment or racial discrimination. Bullying’s lack of illegality makes it easy to ignore even though it is 3 times more prevalent than illegal harassment.”

The task force would study the facets of workplace bullying in New Mexico and ways to address it. The task force would report to the interim legislative health and human services

committee and recommend strategies in decrease said incidents.”

“Employers establish the work environment, its culture, and are responsible for its health or toxicity”, leaving the employer exposed to increased liability.

HJM8 appears to include not only public sector employers in New Mexico, but also private sector employers. Obtaining this type of information may require extensive time and work on the part of the representatives chosen for the task force since this information has not previously been gathered.

There may be an opportunity to alleviate some workplace bullying issues through the use of alternative dispute resolution services. Currently, an Alternative Dispute Resolution (ADR) Council established by Executive Order is preparing recommendations for the Governor on the potential uses for ADR in state government.

ADMINISTRATIVE IMPLICATIONS

Support and commitment of participation from the Secretary of Labor, the Secretary of Human Services, the Secretary of Children, Youth and Families; the Secretary of Economic Development, the Director of Risk Management Division of the General Services Department and the Director of the State Personnel Office is required in order to allocate sufficient time and effort to make knowledgeable recommendations to the legislative committee.

The representative chosen could be required to spend a great deal of time working for the task force hindering his/her ability to perform regular job duties, in turn affecting the rest of the division’s work.

TECHNICAL ISSUES

The concerns of the Memorial are partially addressed in the Governor’s Executive Order 2005-047, ADR Advisory Council. The ADR Advisory Council is in the process of developing a Central State Office whose main purpose is to help resolve work place conflicts within state government. The ADR Council is composed of representatives from 23 State entities and agencies. All six Departments proposed in this Bill have designated representatives working with the ADR Advisory Council.

A small number of discrimination complaints filed with NMDOL’s Human Rights Division (HRD) also involve allegations of violence or threats of violence. HRD does not maintain statistics on workplace violence.

OTHER SUBSTANTIVE ISSUES

The issue of workplace bullying should include a discussion of the implied employment contract. The union representing state employees should also be involved in the task force.

From Workplace Bullying: Introduction to the “Silent Epidemic” by Gary Namie, PhD and Ruth Namie, PhD:

“State legislatures in California, Oklahoma and Washington have considered protecting all individuals against hostile workplaces, regardless of membership in a protected class.”

Bullying affects the overall health of an organization including (from Canadian Centers for Occu-

pational Health and Safety; <http://www.ccohs.ca/oshanswers/psychosocial/bullying.html>):

1. Increased absenteeism
2. Increased turnover
3. Increased stress
4. Increased costs for employee assistance programs (EAPs), recruitment, etc
5. increased risk for accidents/incidents
6. decreased productivity and motivation
7. decreased morale
8. reduced corporate image and customer confidence
9. poorer customer service

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If the task force is not created and the issues are not resolved, workplace bullying will continue to cost both the employers and employees in increased health care premiums and stress-related problems which are detrimental to workforce productivity.

DL/nt