The Threat of Terrorism and Workplace Relations

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September 11 returned terrorism to prominence as a public risk. This is so in the United States where the attacks occurred and in many other countries including Australia which is believed to rank high as a target. These attacks were particularly sinister as they targeted civilians attending work. They were not indiscriminately chosen but were victims by design. This has a number of implications for managing workplace relations. The present discussion examines the terrorism threat perceptions of employees, managers and business leaders operating in susceptible industries. In this paper it is argued that the threat of terrorism has a number of negative consequences. The limited literature is surveyed and categorised to providing a theoretical base from which the problem can be researched.

terrorism, workplace relations, risk

INTRODUCTION

Terrorism has existed for thousands of years and has been understood and interpreted in a variety of ways. As its meaning changes over time perceptions of the phenomenon take the form of its recent and popularised occurrences. The attacks on September 11 have a strong influence on the perceptions of the threat to Australia. Whilst this threat is viewed to be less than in the United States, perceptions of the threat has a significant impact in Australian society and in the workplace. Terrorism is carried out against non-combatants and on September 11 it targeted workplaces. The threat of terrorism has a damaging impact in organisations viewed as susceptible. No universally agreed definition of terrorism has been reached but a preliminary one can be offered. Williams (2004) defines it as ‘politically [including ideologically, religiously or socially – but not criminally] motivated violence, directed generally against non-combatants, intended to shock and terrify, to achieve a strategic outcome’. In this paper the limited literature discussing this problem is surveyed and is separated in two sections; academic research and journalistic commentary. The valid research is three studies that examine the problem using academic method in a systematic study and the invalid research is abundant journalistic and anecdotal sources. The paper is concluded with a discussion of the need for research and its national significance.

THE ACADEMIC RESEARCH
Research into terrorism and its impact on workplace relations is limited. It is general, economically focussed, and providing of surface descriptions of related problems rendering it mostly uninformative for workplace relations study. Three studies from the United States have provided some findings that relate to workplace relations. These studies examine the impact of the threat of terrorism that remained following September 11. This research is relevant in any city where the threat of terrorism is perceived to exist as it measures the attitudes and beliefs of those who perceive a threat. Whilst Australian cities are in lower threat environments, it is likely that in post September 11 Australia workplace relations is affected in less extreme yet similar ways.

Alexander (2004) uses September 11 and the anthrax attacks of 2001 as illustrative of the threat posed to organisations. Interview data is used to argue ‘Any prospective terrorist attacks in the United States or abroad will victimize labor’ (Alexander, 2004: 124). Alexander (2004) argues the threat of terrorism perceived following an attack has a negative affect on the health and well being of employees and managers. These effects can take months to years to subside and have a disastrous impact on satisfaction and productivity. Those affected will change organisations and professions, move house, and reprioritise life goals placing less importance on employment and more on family and leisure. Others will continue to work through and may be asked to perform to a higher level to return operations to a pre-terrorism threat state. These people experience high levels of stress and anxiety that may manifest as depression and other mental illnesses, the most damaging of which is Post Traumatic Stress Disorder. According to Alexander (2004: 128) in the months following the Oklahoma City bombing people were absent frequently, took leave as soon as it accrued, left their jobs, and engaged in reckless behaviour such as alcohol and narcotic abuse and excessive smoking. Organisations affected on September 11 shared these experiences. Other affects include a desire to join social organisations such as trade unions, lower demand for high profile positions in prestigious organisations especially when they are housed in large cities, and job insecurity as economic impacts are felt. This creates a significant workplace
relations management problem as these affects often lead to decreased productivity. Alexander (2004) further indirectly refers to occupational health and safety considerations, business continuity issues, culture and managing diversity.

Alexander and Alexander (2002) use interview data to examine a number of effects the September 11 and anthrax attacks had and are having on American business. Much of the study is devoted to macro and micro economic issues, their impact on business and flow-on impacts on workplace relations. Alexander and Alexander (2002) investigate how economic affects from terrorism threat perceptions impact on workplace relations. These are economic slowdown, higher unemployment and underemployment, decreased consumer confidence and interest rate changes. It is further argued that the September 11 and anthrax attacks had significant impacts on future investment and business decisions, inventory and distribution systems and organisational culture. This leads to downsizing which has a negative psychological impact on the workforce.

Inventory and distribution systems were interrupted in New York and Washington, cities where Just-In-Time (JIT) inventory is prevalent. Transport infrastructures are the life line of JIT inventory and the terrorism threat makes the benefits negligible and the system vulnerable. Alexander and Alexander (2002: 51-2) suggest that organisations should have stock on hand and backup facilities that hold materials for when a threat suspends deliveries hence negating JIT inventory benefits. A disruption of JIT inventory systems can lead to an underutilisation of staff and short-run layoffs. Perhaps the most significant of the workplace impacts is the change in cultural focus to be security oriented. Security upgrades, it is argued, must be accompanied by the fostering of security awareness to be effective which requires recruiting specialist security staff and training.
Mainiero and Gibson (2003) provide survey data from 5860 respondents regarding the ‘emotional fallout from 9-11’ conducted in December 2001. Similar studies exist yet fail to draw significant conclusions. Mainiero and Gibson (2003) argue:

The terrorism of September 11th, 2001, unleashed primal emotions in the minds and hearts working in corporations all across America. The magnitude of the violence and the relative randomness of those who were affected left us (sic) feeling traumatized and horrified.

People in organisations throughout the United States experience trauma as a result of the attacks. Three emotional responses were exhibited by respondents: fear, denial and anger. Respondents reported profound fear and described themselves as ‘dumbfounded and scared’, denial manifested as being dismissive of co-workers who claimed trauma as a result of September 11 and expressing that it ‘should not affect’ their working life, and anger which was directed at employers who were perceived as being unsympathetic to the emotional ramifications (Mainiero and Gibson, 2003). Such feelings create conflict and reduced wellbeing in workplace relationships and lead to decreased satisfaction and increased stress resulting in absenteeism, turnover, and lower productivity. The study additionally concluded that proximity of workplaces to the World Trade Towers is a factor where a greater distance led to less negative emotional responses. Women were found to be more affected, and both genders were more affected if they were married and had children. The authors theorise that women are more willing to express feelings and people with families are more likely to reprioritise the importance of work and be more sensitive to risk.

THE JOURNALISTIC COMMENTARY

Whilst formal research is limited the same cannot be said for anecdotal and journalistic commentary. Based on simple interviews and observation a myriad of writers have contemplated and theorised the impact of terrorism threat perceptions on workplace relations. This literature is largely speculative and from an American perspective yet it serves to direct more rigorous academic endeavour. Broad themes are identified and presented here.
Psychological Impacts

The potential for negative psychological impacts in American workplaces following September 11 is acknowledged in research and anecdotal literature alike. Such impacts include feelings of vulnerability and anxiety leading to high occupational stress and low job satisfaction (Summers, 2001). This has a flow-on affect in workplaces disrupting culture, harmony, productivity, and causing interpersonal and industrial disputes, absenteeism and turnover. Sullivan and Anderson (2004) identifies five specific fears that employees experience since September 11; working in tall or symbolic structures, business air travel, working in industries or regions perceived as vulnerable, working in industries not perceived as vulnerable due to ‘graphic news coverage’, and a heightened awareness of mortality leading to a reassessment of priorities away from work to family and leisure. Poe (2001: 46) notes that the attack on the World Trade Towers is particularly fearsome as office workers were not incidental victims but targets by design. Office workers all over America likely feel vulnerable. Conditions of high stress and fear make effective workplace relations difficult.

Technological Change

Organisations may adopt technology quicker to limit the need for commuting, business travel, and boardroom style meetings. It is estimated that there is a 50% increase in the use of electronic conferencing in the United States since September 11 amongst companies that would otherwise require employees to travel frequently (Summers, 2001). According to interviews conducted by Summers (2001),

...58 percent of travel managers surveyed said that company trips will be curtailed over the next several months and only 19 percent said that business travel would proceed as planned...these findings reveal a future workplace with much heavier reliance on the flows of digital information.

Fewer expatriate staff is needed if with sophisticated communication methods (Tahmincioglu, 2001: G-1). Email, video conferencing, and ‘telecommuting’, where work communities exist
almost entirely in an online format, will be used in preference to face to face meetings, staff exporting and business travel (Mahmud, 2003). According to Mahmud (2003), it is a matter of ‘working smarter, not harder’ in confronting the terrorism threat. Technology change is often resisted, however, linking the change with addressing the terrorism threat will lead to greater acceptance. A greater challenge may present in unionised workplaces or where technological innovation has never formed part of culture. Employers need to be wary of abruptly changing traditional work conditions.

Cultural Change

Organisations have increased physical security at perceived vulnerable locations yet it is insufficient if not accompanied by the fostering of security awareness and the development of a security oriented culture. People are encouraged to willingly participate in security procedures, be aware and alert to strange behaviour and to report anything unusual, and to receive security training mainly in using security equipment. Often, security personnel will be hired to perform these tasks. Improved physical security is often implemented sceptically by employers to fulfil occupational health and safety obligations and to make employees feel safer. No real improvement can be realised in these situations. St. John (1991) argues that in some airports security upgrades are often understaffed with underpaid and untrained workers. According to Alexander and Alexander (2002: 55), ‘Some have likened investment on security measures to funds allocated to reducing pollution in that they are both socially helpful but economically unproductive’. This is a dangerous assumption. The September 11 hijackes were able to exploit lax security at airports to carry out their acts of terrorism. The commercial air travel sector has subsequently devoted time and money to improving security through physical security upgrades and fostering security awareness. Surveillance technology and monitoring can improve security and develop a security oriented culture. Many employers are hesitant to implement such measures for fear of legal ramifications for privacy breaches but MacDonald (2004: 34) argues ‘The law creates few barriers for employers
installing video camera’ for surveillance in the workplace’. A greater concern is undermining employee trust and creating authoritarian management control methods.

**Workplace Diversity: Conflict and Management**

Workplace diversity management has proved difficult since September 11. Racist sentiments, misunderstandings, rage and suspicion aimed at Muslim co-workers have been reported in America upsetting workplace dynamics causing alienation and emotional ramifications.

Investigations by Mourtada (2004: 24-6) and Healey (2004: 25-7) have discovered when this occurs mistrust, bigotry and violence, discrimination, workplace bullying, a collapse of work teams, low motivation, high absenteeism and turnover, low morale, and decreased satisfaction and productivity ensues. Failure to prevent discriminatory behaviour can have significant legal consequences. Sixel (2003) reports on an Egyptian worker who successfully sued for unfair dismissal from an upmarket restaurant in the United States when discovering that managers had attributed bad performance post-September 11 to having a Muslim employee. The Equal Employment Opportunity Commission won $1.4 million USD in the two years following September 11 from employers for similar discriminations.

**Occupational Health and Safety**

Protecting workplaces from terrorism is considered by many firms to be a occupational health and safety responsibility (Conlin, Thornton, Foust and Welch, 2001: 38; Nighswonger, 2002: 24-27). Organisations are considering the safety of its people in ways that had previously not been considered. The increased responsibility for firms has led to improved access, production, and process security, increases in disaster and emergency response training, first aid training, and increase in emergency response drills (Nighswonger, 2002: 25).

**Leadership**

Kennedy (2001: 18-19) and Argenti (2002: 103-109) argue that effective leadership in times of a heightened terrorist threat helps organisations maintain strong workplace relations.
Argenti (2002: 104) argues that the threat of terrorism creates low morale and a workforce desiring up to date information. Leaders must maintain a visible presence and maintain effective communications in the workplace. Healthy dialogue will help employees deal with their emotions and socialisation at work can be a unifying influence when many would feel safer at home.

**Workplace Spirituality**

Spirituality in the workplace is a phenomenon that is gaining in popularity (Robbins et al., 2003: 60). According to Robbins, Bergman, Stagg and Coulter (2003: 60) it recognises that people are ‘nourished by meaningful work that takes place in the context of a community’. Stewart (2002: 92) argues that despite the threat of terrorism and the economic uncertainty it brings, workplace spirituality offers a ‘safe harbour’ and a meaning to life and work. ‘An emerging spiritual renaissance in the workplace’ keeps people attending work and can lead to economic recovery (Stewart, 2002: 92). According to survey research conducted in firms in California, 55% of respondents claim that spirituality plays a part in their working lives and 34% of those believe that this role has increased since September 11 (Stewart, 2002: 92).

**CONCLUSIONS**

In this paper the research of Alexander (2004), Alexander and Alexander (2002), and Mainiero and Gibson (2003) is discussed as the primary authorities for the study of terrorism threat perceptions and workplace relations. These works go only part of the way to explaining the impact with workplace relations issues discussed superficially. The anecdotal and journalistic literature is then presented and grouped into broad themes; psychological impacts, technological change, cultural change, workplace diversity conflict and management, occupational health and safety, leadership, and workplace spirituality. These sources do little more than flag a particular issue and discuss its importance. Both types of literature prove inadequate for an understanding of the nature of the threat of terrorism and how an attack affects workplace relations. More sophisticated research is needed to properly understand the
threat and to develop policy that ensures preparedness and an efficient response from business. Such research will be difficult and cumbersome with a myriad of potential impacts and flow on affects that will be apparent. No one researcher will capture all the information necessary to answer the most pressing questions. Each issue identified warrants the devotion of years of academic and public endeavour to be effectively answered. The most pressing questions include how does the threat impact on Australian workplace relations?, what is the difference in the impact for employees and managers?, how does the threat affect absenteeism and turnover?, and what does the threat of terrorism cost Australian business?. This literary survey provides the theoretical base and creates the impetus for research of this type. Awareness of how the threat of terrorism affects Australian workplace relations would provide a guide for national preparedness and an opportunity for rapid recovery should an attack occur. Whilst the threat of terrorism to Australia remains, many fear its occurrence in an Australian city and such perceptions have a damaging impact on workplace relations.
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