

Workplace cultures

A healthy and respectful culture is a critical part of the solution.¹

Policies and procedures on their own do not prevent or address bullying. Appropriate leadership that demonstrates skills and confidence in addressing this issue are also required. High level commitment to making positive changes has a big influence on the culture of workplaces.²

Introduction

- 4.1 It became clear from early on in the inquiry that workplace culture was a key determinant of whether bullying would occur and for how long it would be sustained. Many individuals who came before the Committee spoke of 'toxic' working environments.
- 4.2 Workplaces characterised in this way typically have high staff turnover, low staff morale, high levels of informal grievance and complaint, inconsistent application of policies and rules, poor performance and victimisation of those who protest.³ An abusive working environment or a toxic workplace is more likely to spring from the failure to address bullying and other negative behaviours systematically, quickly and consistently.
- 4.3 In contrast, respectful working environments invite greater trust amongst workers and with their employer. Supportive workplace cultures have been associated with a variety of benefits for both workers and employers,

1 Ms Michele Grow, Chief Executive Director, Davidson Trahaire Corpsych (DTC), *Committee Hansard*, Canberra, 13 September 2012, p. 2.

2 National Network of Working Women's Centres, *Submission 86*, p. 6.

3 Alannah and Madeline Foundation, *Submission 125*, p. 6.

including productivity gains, higher levels of commitment to the organisation, greater staff retention, higher levels of job satisfaction, lower levels of stress and the experience of less conflict between work and family responsibilities.⁴

- 4.4 The policies and procedures organisations have for responding to bullying are of little use if there is an absent corresponding culture and role-modelling of their objectives. This chapter will discuss the capacity of a workplace culture to prevent bullying in the first instance, as well as the benefits of investing in workplace cultures and how this investment might drive improved cultures and increased productivity.

What is workplace culture and how does it affect bullying?

- 4.5 Workplace bullying experts Caponecchia and Wyatt define workplace culture as:

the shared norms, values and assumptions that are held unconsciously but define how the organisation as a whole, views itself and its environment.⁵

- 4.6 The nature of the culture is identified by observable practices. Workplace characteristics, leadership styles and group dynamics all contribute to the culture of a workplace.

- 4.7 The demonstrated values of the organisation are fundamental in preventing and managing workplace bullying. Maintaining a culture where reports of unacceptable behaviour are taken seriously, dealt with confidentially, fairly and in a timely manner is intrinsic to eradicating workplace bullying and its negative consequences.

- 4.8 On the other hand, poor workplace culture can have a devastating impact on the health and wellbeing of workers. The Australian Institute of Employment Rights (AIER) argued:

the subtle and destructive nature of adverse workplace culture ... can manifest itself in a “death by a thousand cuts”.⁶

4 Australian Institute of Employment Rights (AIER), *Submission 109*, p. 12.

5 Carlo Caponecchia and Anne Wyatt, *Preventing Workplace Bullying: An evidence-based guide for managers and employees*, Allen & Unwin, Crows Nest, NSW, 2011, p. 55.

6 AIER, *Submission 109*, p. 17.

- 4.9 Poor workplace cultures can lead to significant mental and physical health problems for workers across all sectors and all occupational levels. These adverse health outcomes have implications for the individual worker, their co-workers, the business, the national health system and the international competitiveness of the Australian economy overall.⁷
- 4.10 Importantly, negative workplace cultures can lead to higher rates of bullying. Caponecchia and Wyatt argue:
- Cultural values and practices may 'permit' or encourage acts of bullying, prevent a target from reporting the behaviour (because reporting is seen as weakness) or expect that they will endure it, or make it acceptable for management to ignore reports.⁸
- 4.11 Such cultures can emerge inadvertently where the organisation's leaders do not have an understanding of the magnitude or consequences of bullying in the workplace. WISE Workplace Investigations stated:
- The fostering of workplace cultures where bullying thrives, appears to have its roots in acquiescence, confusion about what constitutes bullying and an inability to conceptualise this conduct.⁹
- 4.12 Bullying cultures thrive in working environments where workers are fearful of speaking up about unreasonable behaviours because of fears of victimisation or because they may be the subject of bully behaviours themselves. Bullying cultures are often supported by a 'code of silence' which allows destructive behaviours of this kind to flourish.¹⁰
- 4.13 Healthy workplace cultures need to reinforce the message contained in policies and procedures that bullying is not tolerated. Employee Assistance Service Australia (EASA) commented:
- In talking to the client, they may work for an employer who has clear policy and procedure with regard to bullying and harassment – what it is and what should be done to stamp it out. However, the staff member who has been bullied is too afraid to speak out due to the work culture. It may be the most brilliant and well-written policy and procedure, but the culture does not seem to support it.¹¹

7 AIER, *Submission 109*, pp. 10-11.

8 Caponecchia and Wyatt, *Preventing Workplace Bullying*, 2011, p. 55.

9 WISE Workplace Investigations, *Submission 98*, p. 4.

10 Australian Council of Trade Unions, *Submission 63*, p. 17.

11 Mrs Sarah Marie Davies, Psychological Services Manager, Employee Assistance Service Australia (EASA), *Committee Hansard*, Darwin, 17 July 2012, p. 22.

- 4.14 Proactive environments can also empower the parties to resolve issues early before they escalate and require management attention or formal inquiries. The Chamber of Commerce and Industry Queensland (CCIQ) submitted:

CCIQ strongly believes that individual workplaces need to take responsibility and undertake proactive initiatives to reduce the potential for workplace bullying issues within their business [and employers] should be encouraged to focus on maintaining a workplace culture that embraces an atmosphere of trust and respect in which bullying is not tolerated and where disputes are resolved early.¹²

- 4.15 In their leadership capacities, managers have significant input into the culture of an organisation, and can therefore demonstrate to their workers what standard of behaviour is expected.

Role of leaders and managers

- 4.16 Leaders and managers contribute to the culture of a workplace, not just by what they say but also by what they do. Leaders need to model appropriate behaviours in how they conduct themselves and have the courage to call and to deal with inappropriate behaviour when they become aware of it.¹³

- 4.17 WISE Workplace Investigations commented:

Whilst anti bullying policies are necessary they are not sufficient to eradicate this behaviour in the workplace. Positive role modelling is required to effect cultural change. Managers need to respond immediately when they witness inappropriate conduct. That is they need to be seen shutting down inappropriate conversations.¹⁴

- 4.18 Particularly in larger organisations, the role of middle-managers is equally important. In such organisations, it is this group of managers with whom workers have most contact and therefore the behaviours that they display also contribute to establishing professional standards.

- 4.19 On this point, the Australian Public Service Commission stated:
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12 Chamber of Commerce and Industry of Queensland, *Submission 67*, p. 2.

13 Mr Stephen Sedgwick, Commissioner, Australian Public Service Commission, *Committee Hansard*, Canberra, 17 August 2012, p. 2.

14 WISE Workplace Investigations, *Submission 98*, p. 6.

leadership [is important] in fostering a high performing culture and setting the standard for 'how things are done around here', which includes dealing promptly and firmly with unacceptable behaviour, such as workplace harassment and bullying.¹⁵

4.20 However, managers and an organisation's executive leadership are frequently promoted on the basis of technical skill or specific knowledge. Workplace Conflict Resolution (WCR), a consultancy firm offering mediation, investigation and training services, noted that managers:

are not necessarily promoted because they have the interpersonal and leadership skills to be able to appropriately manage people. Most managers lack skills in active listening, appreciative inquiry and positive regard and so when listening to complaints managers can be quick to make assumptions and interpret incidents through their own reality, perspective and experiences.¹⁶

4.21 The responsibility of managers, argue Caponecchia and Wyatt, are twofold:

Managers are paid to manage, and that doesn't mean just getting the job done. It involves demonstrating leadership: inspiring and motivating people while taking into account that they need to work together.¹⁷

4.22 Part of managers' duties is to manage the performance of staff. However, Ms Toni Mellington, Director of DC Workplace Consulting observed that key performance indicators (KPIs) can be used inappropriately, under the guise of performance management, as a bullying technique:

In the modern workplace I do not believe you can exclude yourself from being required to meet KPIs. However, what has given me cause for concern is when performance management actions ... are misreported or misrepresented and are presenting a worker as being somehow not measuring up to that which is required when in fact they are.¹⁸

4.23 Leadership is required from managers to address inappropriate behaviour when they first witness such conduct. If they do not address inappropriate behaviour that happens in, or near, their presence, a clear signal is sent to

15 Australian Public Service Commission, *Submission 122*, p. 6.

16 Workplace Conflict Resolution (WCR), *Submission 100*, pp. 2-3.

17 Caponecchia and Wyatt, *Preventing Workplace Bullying*, 2011, p. 139.

18 Ms Toni Mellington, Director, DC Workplace Consulting, *Committee Hansard*, Melbourne, 11 July 2012, p. 31.

their workers that such behaviour is condoned. Managers must foster and role-model the behaviour they expect and promote appropriate peer intervention to report incidents and support those they see being bullied.¹⁹

- 4.24 Enabling leaders and managers to address this conduct may require skills training specifically on such issues and real investment in a healthy workplace culture. It is vital that those officers who are required under the law, and within the organisation's own structures, have the skills and knowledge of how to respond to reported or observed bullying. This requires the 'soft-skills' including dispute management, conflict resolution, self-awareness and more general management abilities.
- 4.25 The lack of adequate skills of management to respond in appropriate ways to bullying incidents among their staff was repeatedly raised by stakeholders. Having specific training to develop these soft-skills was repeatedly raised throughout the inquiry.

Specific training for management

- 4.26 Many participants in the inquiry spoke of the need for managers and human resource sections to receive greater training in conflict management and bullying resolution strategies. WCR provides training, consulting, preventative measures, conflict coaching, mediation and grievance investigation services to Australian businesses. In their experience:

The three single most important factors that prevent the reoccurrence and escalation of bullying behaviours in the workplace are:

- The ability of each manager to be conscious of and notice incidents of subtle bullying;
- The ability of each manager to speak up constructively in that moment; and
- Managers that take complaints of bullying seriously.²⁰

- 4.27 Yet according to WCR, most managers struggle with the challenges associated with delivery in each of these areas.²¹ The draft *Code of Practice: Managing the Risk of Workplace Bullying* (the draft Code) identifies this challenge:

19 ACT Government, *Submission 191*, p. 12.

20 WCR, *Submission 100*, p. 2.

21 WCR, *Submission 100*, p. 2.

Bullying has been linked to situations of role conflict and ambiguity. Workers should understand their role and have the appropriate skills to do their job. This includes ensuring that workers who manage or supervise others have good communication and people management skills, or if necessary, providing training to acquire these skills before they start supervisory duties.²²

- 4.28 Another key issue raised throughout the duration of the inquiry was the need for specific training or guidance material on how to respectfully and productively engage in discussions about workers' performance. Davidson Trahaire Corpsych, (DTC) commented:

There is an absolute critical need to focus on managers. When I say 'managers', I mean everyone from the executive level down need to be focused on the issue.²³

...[Managers] are often not particularly skilled at giving feedback, and they are very rarely well skilled at receiving feedback. If you can just enhance that skill, you go along way forward in how you then deal with any of the issues and the openness to feedback and the acceptability. There are a number of core pieces in there of just building fundamental skills in good people management.²⁴

- 4.29 The provision of training for those who provide guidance and support to individuals who are experiencing bullying was also raised. The draft Code recommends that workers who have a designated role in handling reports of bullying should undertake specific training to assist them to carry out their role effectively.²⁵ Frequently, this will include human resource sections, or bullying contact officers.
- 4.30 More broadly, improving the mindfulness and awareness of managers to notice concerning behaviours and actions amongst their team members or their interactions with other workers, would improve workplace cultures and also allow early resolution of conflict and prevent bullying escalating.²⁶

22 Safe Work Australia, *Draft Code of Practice: Managing the Risk of Workplace Bullying (Draft Code of Practice)*, July 2012, p. 13.

23 Ms Grow, DTC, *Committee Hansard*, Canberra, 13 September 2012, p. 2.

24 Ms Grow, DTC, *Committee Hansard*, Canberra, 13 September 2012, p. 6.

25 *Draft Code of Practice*, July 2012, p. 13.

26 WCR, *Submission 100*, p. 5.

Investing in healthy workplace cultures

4.31 Businesses reap significant benefits from investing in workplace culture.²⁷ Furthermore, the far reaching consequences of poor workplace culture commands greater understanding and awareness of the impact of Australia's work environments on the wellbeing of workers.²⁸

4.32 Investing in the culture of a workplace has a corresponding effect on the success of maintaining safe working environments. The AIER argues:

The best workplaces are those that engender workplace cultures that focus on treating all employees with dignity and respect and ensuring that employees are encouraged to raise concerns if they arise.²⁹

4.33 Equally, the Department of Education, Employment and Workplace Relations (DEEWR) referred to studies that found that the 'best' workplaces are those where there are good relationships between managers and workers. DEEWR stated:

Firms that engage their employees effectively and listen to them tend to be more productive and more profitable than firms that do these things badly. An engaged employee is one who knows what he or she need to do to further their organisation's interests and is committed to doing that. They also tend to be satisfied with their work, have good relationships with their colleagues and feel that their work fully utilises their skills and talents. Bullying is one example of behaviours that prevent effective employee engagement.³⁰

4.34 Developing the case for greater investment by employers in the culture of their organisation, the AIER stated:

The first incentive for investment in workplace culture is "responsibility", in a manner analogous with corporate social responsibility. ... The second incentive is "the cost of inactivity" as a failure to invest in workplace culture will lead to greater costs associated with absenteeism, presenteeism and recruitment and training of new staff. The third incentive to improve workplace culture is the return on investment for improving quality of work

27 AIER, *Submission 109*, pp. 13-14.

28 AIER, *Submission 109*, pp. 10-11.

29 Diversity Council of Australia, *Submission 185*, p. 14.

30 Department of Education, Employment and Workplace Relations, *Submission 84*, p. 10.

organisation, including corporate brand reputation and product innovation.³¹

4.35 The AIER also argued that the additional incentive for employers to invest in workplaces is that the quality of professional relationships is the single most important driver of excellence in workplaces. Therefore, investment in culture is a key strategy for employers to achieve quality working relationships and the elimination of negative outcomes such as bullying.³²

4.36 Despite the incentives outlined by the AIER, some participants in the inquiry expressed concern that Australian workplaces are not investing in their cultures adequately and are therefore falling behind international benchmarks. Mr Michael Harmer summarised:

In Australia we have a problem with our business culture. Australian business leadership fails in international surveys to reach important benchmark standards on the treatment of people and that, in turn, leads to workplace cultures that are conducive to bullying. That is an area that we need to help all Australian management with, and I am one of them. We certainly need, in my view, a system of accreditation of Australian business to genuine standards, because our management are highly educated – they know what to do, but they just do not achieve it. It is that gap between knowing and doing that needs to be bridged if we are going to have any real sort of turnaround of this problem in the country.³³

4.37 The proposal for a ‘system of accreditation’ will be discussed in the second Part of this report.

4.38 The Committee acknowledges that in an inquiry of this kind few ‘positive’ or best practice examples would be discussed in the evidence received. If prevention strategies are working, stakeholders are unlikely to make submissions about them. However a significant number of submissions from individual workers referred to ‘aggressive’ working environments.³⁴ For example,

Within a few months of the establishment of this business unit a workplace culture had developed which can only be described as toxic. A small number of individuals in supervisory positions

31 AIER, *Submission 109*, pp. 13-14.

32 AIER, *Submission 109*, p. 15.

33 Mr Michael Harmer, Harmers Workplace Lawyers, *Committee Hansard*, Brisbane, 18 July 2012, p. 1.

34 PP, *Submission 9*, p. 3.

became involved in systematic bullying of staff members who, in most cases, were reluctant to report the behaviour due to fear of reprisals or damage to their careers. During my time in this business unit I became aware of a range of disturbing occurrences.³⁵

Improving workplace culture

4.39 Organisational culture by nature is hard to shift. Change of this nature requires strong, visible leadership and role modelling by the employer and its management team. Without leadership from the employer, achieving a culture-shift will be 'next to impossible'.³⁶

4.40 Caponecchia and Wyatt noted in their recent book on this topic that there is an improvement taking place in workplace cultures in Australia. They wrote:

The good news is that we see some organisations shifting towards a new paradigm. This paradigm involves the promotion of workplace-related health and wellbeing while not compromising productivity. These organisations [are] investing in and valuing wise leaders and managers, not just clever ones or those who have been able to 'stick out' working for the organisation for a long time. In these organisations, there is more collaboration towards synergy, encouragement of formal and informal feedback (including negative), greater behavioural integrity modelled, agreed-upon organisational values. ... The managers in these organisations are encouraged and educated to facilitate, coach and support the process of people's ongoing development, rather than simply requiring goal achievement.³⁷

4.41 Professor Maryam Omari and Mr David Blades argued the importance of educating and training workers:

Public and private organisations should do more by way of training, workshops and information sharing to ensure that managers and employees follow the relevant codes of practice that relate to bullying, discrimination and harassment at all times. ... The provision of soft skills training, negotiation and conflict resolution skills will go some way in ensuring people are treated

35 CP, *Submission 145*, p. 1.

36 Maryam Omari, *Submission 28*, p. 2.

37 Caponecchia and Wyatt, *Preventing Workplace Bullying*, 2011, p. 142.

with dignity and respect at work, even if they need to be 'back on track' plans to improve work performance.³⁸

- 4.42 DTC indicated that the average expenditure by organisations on their services equates to only \$20-\$30 per worker per annum. DTC's Chief Executive Director said:

The cost of that per head of population is typically low. Lots of organisations talk about it, very few invest well, and then invest on an ongoing basis.³⁹

Information and training for all workers

- 4.43 The risk-management focus of the work health and safety (WHS) legislation and the draft Code require employers to take proactive steps in managing bullying hazards. An effective management tool recommended by the draft Code is for information about the organisation's anti-bullying policies, and training on how to respond to bullying incidents to be given to all employees.
- 4.44 It is important that all workers receive information and training about how to respond to, be aware of, and meet their responsibilities relation to workplace bullying. Strategies and information about bullying at work will not only empower those individuals directly involved in the conduct, but also better enable bystanders to speak out.
- 4.45 The draft Code advises that information to raise awareness of bullying and its impacts in the workplace may be provided in various ways, for example:
- information sessions;
 - team meetings or toolbox talks;
 - newsletters, pamphlets;
 - payslip attachments;
 - posters;
 - intranet announcements; or
 - email messages.⁴⁰

38 Professor Maryam Omari and Mr David Blades, *Submission 28*, p. 2.

39 Ms Grow, DTC, *Committee Hansard*, Canberra, 13 September 2012, p. 8.

40 *Draft Code of Practice*, July 2012, p. 13.

- 4.46 EASA commented on the effectiveness of training programs for promoting a discussion on what is, and what is not, appropriate in a workplace:

People concluded that as much as the training is not the answer to completely eradicating bullying and harassment, it does make people think about what is appropriate and inappropriate. It also helps them understand what options they have available and it pinpoints the role of the bystander, which I think is really important, and there may even be bullies in attendance who realise their behaviour is unacceptable and the impact their behaviour is having on others, and hopefully it stops that as a consequence.⁴¹

- 4.47 Some workplace consultants are transitioning from training programs focussed on definitions to engaging workers in a discussion about healthy workplaces and respectful behaviours. For example, DTC described:

What we now provide is some of the awareness that gives people the temperature gauge to say, 'Is my workplace healthy?' but also skills in appropriate assertiveness, in ways of raising those difficult concerns: if something happens to you in a workplace and it is not okay for you, how do you have the conversation, whether you are a manager or an employee? Our focus now is on building what are considered 'soft skills' and [respectful relationships].⁴²

- 4.48 The basic building blocks of respectful communication and those skills are 'pretty universal'. Developing 'respectful behaviours' does not mean that everyone has to start being 'frightfully polite to one another and use long words'. Rather such discussions begin with a positive approach: a discussion of the responsibility of all workers to be more self-aware and cognisant of their responsibilities.⁴³

Workplace culture – everyone's responsibility

- 4.49 All workers contribute to the culture of a workplace. As individuals, we can all contribute to improving workplace culture in several ways. Caponecchia and Wyatt argued:
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41 Ms Jade Hamilton, Training and Mediation Consultant, Employee Assistance Service Australia, (EASA) *Committee Hansard*, Darwin, 17 July 2012, p. 23.

42 Ms Kate Price, Regional Manager ACT, Davidson Trahaire Corpsych (DTC), *Committee Hansard*, Canberra, 13 September 2012, p. 6.

43 Ms Price, DTC, *Committee Hansard*, Canberra, 13 September 2012, p. 7.

It may be as simple as reflecting on our own behaviour; carefully assessing any suspected unacceptable behaviour; and supporting our colleagues.⁴⁴

- 4.50 Similarly, Mr Damian Panlock, father to Brodie Panlock, a 19 year old waitress who took her own life after enduring persistent and vicious bullying at work, commented:

There should not be any complacency in the workplace. People have to be aware of what is going on around them and protect each other. I am not just talking about everyday things. When it gets to behaviour that is starting to impact on someone's life, putting them in the state that Brodie [Panlock] was in, it is serious.⁴⁵

- 4.51 Establishing workplace cultures that cultivate respect and dignity will elevate the standards of behaviour expected and consequently place a high value on the health and wellbeing of all workers:

It is about basic respect and a way of treating respect as the basic human right, rather than a transactional thing that is earned and lost.⁴⁶

- 4.52 Such working environments are highly unlikely to lead to poor workplace behaviour, of which bullying is just one symptom. Caponecchia and Wyatt have argued:

Moving values towards condemning these kinds of behaviours is what needs to happen in order for widespread, consistent and long-lasting prevention of bullying.⁴⁷

- 4.53 Communicating the responsibility of all workers to contribute positively to the culture of a workplace is critical to improving the working environment. Such discussions can also frame the issue of expected standards of behaviour in a positive way.

- 4.54 A way to begin these discussions is around the collective responsibility of all workers for health and safety at work. More specifically in the bullying context, this may start with a discussion about the role of bystanders.

44 Caponecchia and Wyatt, *Preventing Workplace Bullying*, 2011, p. 142.

45 Mr Damian Panlock, *Committee Hansard*, Melbourne, 11 July 2012, p. 52.

46 Ms Price, DTC, *Committee Hansard*, Canberra, 13 September 2012, p. 7.

47 Caponecchia and Wyatt, *Preventing Workplace Bullying*, 2011, p. 143.

- 4.55 People who have been bullied at work, or who have witnessed the devastation that it can cause, have an important role to play in championing the issue to ensure bullying does not happen again.⁴⁸

Bystanders

- 4.56 Under section 28 of the model WHS laws, all workers have a duty to take 'reasonable care' for the health and safety of their co-workers. This not only exists between the alleged bully and their target, but also between a bystander and those more directly involved in the bullying behaviour.
- 4.57 Despite the duty, bystanders may feel helpless and unsure how to respond. There may also be a fear of exposing themselves to bullying behaviour if they intervene.
- 4.58 The Australian Human Rights Commission has conducted various public campaigns on the role of bystanders on a range of issues including sexual harassment and cyber-bullying. In the area of workplace bullying, the Commission commented:
- Bystanders can be highly effective in raising awareness of bullying. They can also intervene to prevent harm and contribute to improving workplace practices and cultures that reduce the occurrence of bullying and harassment. [Bystanders] can play [an important role] in preventing and responding to bullying in the workplace and encourage strategies that create the confidence and safety for bystanders to take action.⁴⁹
- 4.59 A workplace culture that empowers bystanders to 'take action' will significantly and positively contribute to employers 'armour' when preventing and responding to bullying.

Employers' response to the reports of bystanders

- 4.60 Where a bystander does report inappropriate behaviour to management, it is important that that the report is acted upon. As workplace bullying is a WHS issue, it should be responded to regardless of who raises the concern. It should not be treated as a general personal grievance that requires the targeted worker to come forward.
- 4.61 In the more traditional WHS areas of physical hazards, employers appear more willing to act proactively to address that issue despite whether the

48 Caponecchia and Wyatt, *Preventing Workplace Bullying*, 2011, p. 142.

49 Australian Human Rights Commission, *Submission 121*, p. 8.

hazard is reported by a worker who is directly exposed to the hazard, or other workers who have merely observed the risk. As workplace bullying is more widely understood as a risk to the health and safety of workers, it is foreseeable that managerial responses to bystander's reports of bullying will become more proactive.

Committee comment

Improving Australia's workplace leadership skills

- 4.62 As discussed throughout this report, a proactive, appropriate and comprehensive response to bullying in the workplace has a significant impact on the likelihood of a long-term resolution of problematic behaviour, hazardous systems of work and poor workplace cultures. Improving the skills and capabilities of managers to respond in such a way was repeated by a diverse cross-section of stakeholders.
- 4.63 Towards the end of the Committee's inquiry, the Minister for Employment and Workplace Relations, the Hon Bill Shorten MP, announced a new national Centre for Workplace Leadership. In a media release, Minister Shorten indicated that the Centre will:
- be the Australian expert on workplace management and leadership and improving the productivity of Australian workplaces through leadership;
 - deliver quality training for leaders and managers on effective leadership, workplace culture and people management practices and connect leaders to training and development from other providers;
 - promote and disseminate practical, relevant research, including surveys, on workplace change and improvement;
 - lead the public debate on the importance of good leadership, workplace culture and people management and on the interdependencies between high performing and productive workplaces, effective management practices and quality jobs; and
 - drive a broader movement to 'do things differently at work' by recognising that productivity 'happens' at work and that leadership is a crucial mechanism to improve productivity.⁵⁰

50 The Hon Bill Shorten MP, Minister for Employment and Workplace Relations, 'Centre for Workplace Leadership', *Media Release*, 14 October 2012.

- 4.64 It is intended that the Centre will work across all industries, sectors and regions of Australia, with the goal to improving the leadership capability in workplaces of all sizes, including regional businesses, as well as a specific focus on assisting small and medium enterprises. Mirroring the tripartite membership of Safe Work Australia, the strategic direction and priorities of the Centre for Workplace Leadership will be initiated by the Advisory Group comprised of business leaders, peak union representatives, academic experts and government representatives.⁵¹
- 4.65 The Committee welcomes this recent announcement as there is a need to improve managerial skills among Australian employers, and will watch the Centre's progress with interest. The Committee believes that the Centre can play a role in improving workplace cultures and potentially reduce the rate of bullying in Australian workplaces.

Improving Australia's workplace culture

- 4.66 The Committee believes that there is a significant case to be made for greater investment in the relationships and cultures that are formed in workplaces. Focussing on promoting good behaviour, and investing in the skills of workers in this regard, rather than condemning negative behaviour is becoming the focus of corporate consultants.
- 4.67 The Committee believes that progressing the workplace discussion from what workers should not do, to promoting positive working relationships is an encouraging development. The preventative nature of this approach has the capacity to remarkably reduce the rate of bullying at work.
- 4.68 Progressing the national discussion to one which promotes positive workplace relationships may also create an opportunity to showcase the economic and productivity benefits to employers of featuring such relationships in their organisations. The Commonwealth Government, in conjunction with industry and employer groups, should work to promote the economic benefits of positive working environments that are free from workplace bullying.
- 4.69 The evidence received throughout this inquiry would indicate a clear need for improvement of workplace culture in Australia.
- 4.70 The Committee believes there is value in having KPIs for managers and supervisor that include targets for encouraging positive workplace behaviour.

51 The Hon Bill Shorten MP, Minister for Employment and Workplace Relations, 'Centre for Workplace Leadership', *Media Release*, 14 October 2012.

- 4.71 The greatest investment Australia can make in with respect to eliminating workplace bullying is to improve workplace culture. Developing better cultures requires the contributors to that culture to act. The Committee hopes that its report will contribute to the ongoing national discussion about workplace culture and the detriment that can result from instances of workplace bullying.

Recommendation 10

- 4.72 **The Committee recommends that the Commonwealth Government, through the Centre of Workplace Leadership and in conjunction with industry and employer groups, work to promote the economic benefits of positive working environments that are free from workplace bullying.**

