Bullying in context: a risk management perspective

John Dumay and Lisa Marini
University of Sydney Business School, University of Sydney, Sydney, Australia

Abstract

Purpose – This paper aims to outline the financial and human cost of bullying in the workplace. The authors investigate how bullying is perpetrated so that management controls to prevent bullying can be put in place, reducing financial and human costs, and the risks posed to organisations by bullying.

Design/methodology/approach – The authors' study uses an exploratory on-line survey, designed from a practice perspective. The instigator is an Australian management consultancy working on managing organisational risk. The study is based on sense-making research using open-ended questions, delving into life experiences to recall potential bullying incidences in their work life. The authors then develop hypotheses from their review of the literature and compare these to the results of their survey.

Findings – Most of the authors' findings contradict both academic and practitioner notions of bullying. They find that bullying happens mostly between peers rather than being perpetrated by people in positions of power over weaker colleagues, extends into all levels of the organisation, is perpetrated as part of the normal day-to-day interactions between people, rather than in special circumstances, and is often perpetrated between peers in the presence of other peers. To explain this behaviour the authors introduce the concept of "tournaments" from agency theory and the personal characteristics of perpetrators and victims.

Research limitations/implications – From a management control and accounting perspective, managers controlling and accounting for bullying can also be the perpetrators and their participation in organisational politics and competitive tournaments may well be preventing the recognition and control of bullying, counter to what is good for the organisation.

Originality/value – This paper's risk management approach to understanding bullying in the workplace is novel; it outlines implications from a management control and accounting perspective. It also uses the concept of "tournaments" to propose why Australian managers tend to want to "sweep the issue under the carpet" and how the authors' research methodology offers a way forward to raise awareness so bullying can become an important part of management control in organisations.

Keywords Bullying, Management control and accounting, Tournaments, Financial and human cost, Managers

Paper type Research paper

Introduction

Bullying in the workplace is a common occurrence (Rayner and Cooper, 1997), of which most of us are likely to have been a victim, have observed or even have been the perpetrator. More than likely, if we have spent a considerable amount of time in the workforce, we would probably have been in all three situations. Unfortunately for us all bullying only has negative impacts in both human and monetary costs. On the people side research claims that bullying contributes to decreased job satisfaction, greater

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turnover, work withdrawal behaviours, absenteeism, greater intention to leave a job decreased productivity and decreased organisational commitment (Heames and Harvey, 2006; Djurkovic *et al.*, 2008; Estes and Wang, 2008; Bulutlar and Öz, 2009). All of these human costs also have corresponding financial costs to organisations and economies as a whole. In Australia, a recent Productivity Commission (2010) report found that workplace bullying is a key contributor to workplace stress resulting in increased absenteeism and inefficiency, in the workplace which is costing the Australian economy about $14.8 billion a year. However, from a management control and accounting perspective it seems "that human resource directors are rather more enthusiastic about issues associated with workforce health than their counterparts in the accounting and finance function" (Kahn *et al.*, 2010, p. 246). Thus, the financial impacts of bullying do not seem to have penetrated into the management control agenda of organisations.

We argue that to reduce the financial and human costs of bullying and thus risk, it should be a primary concern for organisations to prevent bullying. By understanding how bullying is perpetrated management controls preventing bullying can be put in place. However, perceptions of bullying, based on our extensive literature review, are centred on the victim's perspective with very little centred on the perpetrator. This makes decisions about invoking specific controls difficult. Some research also goes so far as to suggest that prejudices against the victims of bullying cause the organisation to treat the victim as the source of the problem (Einarsen, 1999, p. 19). We take a proactive approach, attempting to prevent bullying through formalised management control and risk management processes, rather than investigating or controlling the damage caused by bullying.

Our literature review has not unearthed a wealth of research dedicated to management control of the risks associated with bullying. However, those few articles that do mention managing the risks of bullying argue that we should investigate the pattern of events associated with bullying so that we can understand its causes and implement systems for managing and preventing bullying (Rayner and Cooper, 1997). According to Spurgeon (2003) managers can take a two pronged risk management approach to bullying. First, in the risk assessment phase, managers need to identify and define the problem as well as assess the frequency and severity of the problem. Second, in the risk reduction and control phase, managers need to implement preventive actions and evaluate their effectiveness.

Thus, to make a novel contribution to the literature on management control and bullying this paper adopts the risk management approach to understanding bullying in the workplace. To do this, we present evidence from a survey we conducted on bullying in Australia in which data was collected from both victim and perpetrator perspectives. In keeping with the risk management perspective, this paper is presented as follows. First, we outline the basis of our study and the data collection methods. Second, we present the results of the study concentrating on the risk assessment phase by outlining some hypotheses, based on our review of the bullying literature, about the "Who, what, when, and where?" of bullying from the literature and testing hypotheses to help understand how bullying is perpetrated so the frequency and severity of the problem can be assessed. Third, we discuss some of the possible preventive actions that organisations might take in order to minimise the financial and human costs of bullying. Last, we conclude and offer insights into future research directions and the limitations of our study.

The study design

The study is exploratory in nature, designed around the issue of bullying from a practice perspective. In this case, the study's instigator is an Australian management consultancy firm, regularly working with government and private sector organisations, assisting with managing risk. One of the issues consistently encountered was the issue of workplace bullying and its associated impacts. The research was conducted over a three week period from 2 to 23 November 2011 by way of an online survey.

The study's design is based on "sense-making" research (Dervin, 2006; Dumay, 2009; Merkl-Davies *et al.*, 2011). We investigate a paradigm using an open-ended question, delving into the respondents' life experiences, getting them thinking about how particular incidences in their life, in this case their experiences of bad behaviour in the workplace, have shaped their personal knowledge about a particular phenomenon. In sense-making research, we have no preconceived hypotheses about what we might find as we are guided by the responses, which are in the form of short narratives or stories of those experiences.

Before eliciting those stories, we set up the context of our research in order to define what we mean by poor behaviour and specifically what "bullying" means. This is because both in the literature and in practice bullying is a poorly defined term and means different things to different people in different contexts (Rayner and Cooper, 1997). However, there does seem to be some consensus that bullying at work is about repeated actions and practices that are directed against one or more workers that are unwanted by the victim, that may be carried out deliberately or unconsciously, but clearly cause humiliation, offence and distress, and that may interfere with job performance and/or cause an unpleasant working environment (Einarsen and Raknes, 1997). This differs from many types of poor behaviours that are one off and/or not systematic in nature. Thus, the survey commenced by providing the following definitions for potential respondents:

(1) Poor behaviour is the way in which an employee, team leader, manager, senior manager or group member responds behaves or interacts toward an individual or group when they do not treat them with fairness, dignity, integrity and respect.

(2) Discrimination means treating someone unfairly or unfavourably because of a personal characteristic such as their sex or race or age or by setting a requirement that people with a particular characteristic cannot meet and where the requirement is unreasonable.

(3) Sexual harassment is unwelcome conduct of a sexual nature that could make a person feel offended, humiliated or intimidated. Sexual harassment can be physical, verbal, visual or written.

(4) Victimisation occurs when another person is subjected or threatened to be subjected to any detriment because they have made an equal opportunity complaint or a bullying or harassment (non-sexual) complaint or who has given evidence in a matter under inquiry in accordance with the law.

(5) Bullying is a form of harassment. It is repeated, unreasonable behaviour directed towards a person or group which creates a risk to health and safety. It can typically include:

- Unwarranted, humiliating behaviour towards an individual or group that amounts to persistent negative personal and/or professional criticism that is unpredictable, unfair, and irrational.

- Humiliating a person through gestures, sarcasm, criticism and insults, often in front of customers, management or other workers.
- Spreading gossip or false, malicious rumours about a person with intent to cause the person harm.

(6) Bullying is usually not:

- a single incident of generally unsatisfactory behaviour;
- feedback from a more senior person given in a reasonable and fair way; and
- acts of unlawful discrimination, vilification or sexual harassment.

Once the potential respondents were introduced to the definitions they were asked if they were able to contribute a narrative about one of these behaviours using the following question:

- What happened? Please give us a real and detailed example of behaviour that happened to you, or that you know happened to someone else at your workplace in the past 12 months. Please include in your example what led up to it, what was happening around it at the time, and what happened afterwards.

Following the narrative response they were asked a number of standardised questions about themselves, the victim, the perpetrator, type of behaviour and the impact of the behaviour. These questions were developed using the experience of the client and to answer the client's particular questions about bullying.

In selecting respondents, we were particularly careful to gather a wide cross-section of the Australian workforce from a geographical and gender perspective. To do this, we utilised a research management firm who sent out requests to potential respondents and we analysed the responses for location (Australian states) and gender to ensure we were getting a sufficiently wide sample. Where responses were high or low, we discontinued or increased, respectively, the targeting of invitations to specific locations or genders. Thus, we can conclude that our results represent a significant and relevant cross-section of the Australian workforce. We received 13,115 responses of which 4,995 provided an example of poor behaviour. Of these, 1,478 identified the poor behaviour to be bullying as per our definition above and are the focus of analysis in this paper. Of these 720 were male and 728 female. Table I outlines the Australian states from which the bullying responses originated, comparing them to the number of expected cases proportionate to

Table I.
Responses by Australian state

	Actual	%	Expected	χ^2
New South Wales	467	31.6	476	0.188
Victoria	372	25.2	366	0.083
Queensland	290	19.6	297	0.151
South Australia	119	8.1	108	1.09
Western Australia	158	10.7	157	0.007
Tasmania	25	1.7	34	2.219
Northern Territory	12	0.8	15	0.703
Australian Capital Territory	35	2.4	24	4.637
Australia	1,478	100	1,478	9.078

State and Territory populations, based on ABS data as at December 2011[1]. A goodness of fit test revealed no statistical divergence from the Australian population.

Risk assessment results

The first part of the risk management project is to identify and define the problem. Thus, we first answer the "Who, what, when, and where?" questions comparing results against the hypotheses we developed from our bullying literature review.

Who is the perpetrator?

Most studies that examine the "Who?" question, agree that there is a power distance between bullies and their victims and thus expect that bullying is perpetrated from a higher position of authority (Baruch, 2005; Ferris *et al.*, 2007). However, there are some studies that examine bullying where the power distance relationship is even among co-workers (Hogh and Dofradottir, 2001) or can be perpetrated from the bottom-up by subordinates (Branch *et al.*, 2007). However, in general it would be expected that bullying is perpetrated where there are uneven power relationships between managers and their subordinates (Roslender *et al.*, 2006; Ferris *et al.*, 2007). Thus, to examine the power distance relationship the null and alternate hypotheses would be:

H_0. There is no power imbalance in the power-difference relationship between different levels of workers when bullying occurs.

Versus

H_A. There is evidence of a power imbalance in the power-difference relationship between different levels of workers when bullying occurs.

To examine the hypotheses we first performed a cross-analysis of incidences of bullying based on the organisational level of the perpetrator and the victim as shown in Figure 1.

When we examined Figure 1 we did not, however, find any evidence not to accept H_0 because in each of the categories except manager vs manager the highest incidences of bullying were found between like organisational levels. For example, when a senior manager is the victim of bullying the most common perpetrators are their fellow senior managers. The same commonality of place in the organisational hierarchy in incidences of bullying can be seen for employees lower down on the organisation chart. Our data shows that when a when an individual employee is the victim of bullying the most common perpetrator is another employee. To confirm this we also performed a correlation between the frequencies of like incidences versus the total reported incidences for each organisational level as shown in Table II. For example, Table II, shows that our data reported 99 incidences where senior managers experienced bullying, and in 78 of those cases the perpetrator was also a senior manager.

The resulting correlation analysis with a r^2 of 0.914 ($p = 0.03$) confirms there is a strong relationship between the same organisation levels when bullying occurs rather than evidence of a power-difference relationship between different levels of workers when bullying occurs. Thus, we find evidence to accept H_0 and reject H_A.

However, it is also apparent that the lower down the hierarchy an employee is, the more likely that a more senior person will be the bully, which may be the reason people perceive that a power-distance relationship is at the heart of bullying. Our evidence also

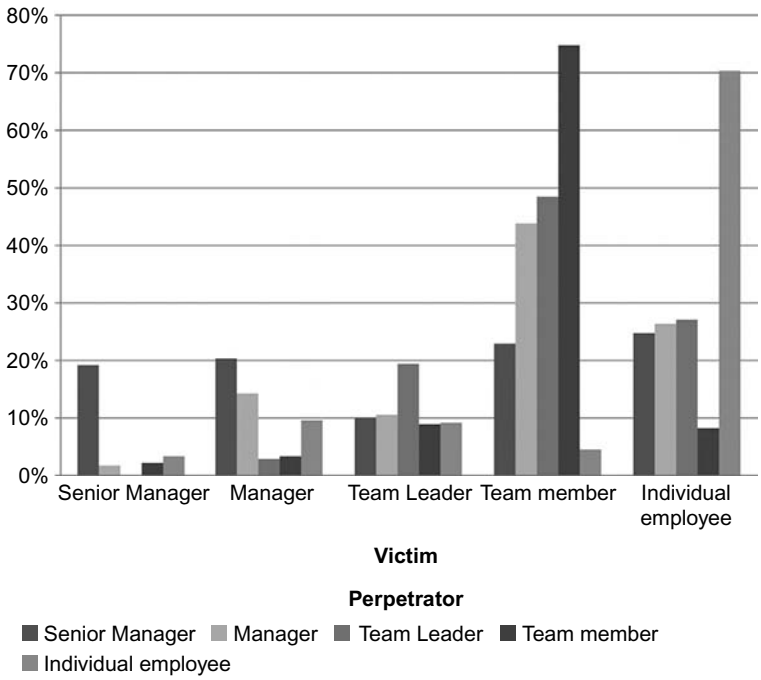

Figure 1.
Organisational level of bullying perpetrator versus victim

Note: Cross categories do not add to 100 per cent because the "other" category was left out of the analysis

	Like incidences	Total incidences
Senior manager	78	99
Manager	46	167
Team leader	49	170
Team member	184	566
Individual employee	109	405

Table II.
Analysis of like incidences of bullying by organisational level

Notes: Pearson correlation = 0.914; p-value = 0.030

shows that senior managers bully employees at all levels to about the same degree and the greater the power distance the more likely employees perceive they are bullied by them. Thus, our evidence does show that power-distance has an impact, but is not a necessary precondition in a typical bullying occurrence.

The above analysis only relates to organisational position, and other social factors may come into play, such as gender (Hershcovis, 2010). For example, Rayner and Cooper (1997, p. 211) concluded from their analysis of bullying in the UK organisations "that men are rarely bullied by women and that women are bullied more equally by both men and women". Thus, we can restate the hypotheses as:

H_0. There is no power imbalance in the power-difference relationship between the genders of workers when bullying occurs.

Versus

H_A. There is evidence of a power imbalance in the power-difference relationship between the genders of workers when bullying occurs.

To examine the hypotheses we again performed a cross-analysis of incidences of bullying based on the gender of the perpetrator and the victim as shown in Figure 2.

When we examined Figure 2 we also did not find any evidence not to accept H_0 because between the genders the highest incidences of bullying were found between like genders. Thus, males are more likely to bully males and females are more likely to bully females. We again find evidence to accept H_0 and reject H_A.

Another social factor is the age of the person involved (Hershcovis, 2010). Again there is research to suggest that when bullying occurs the perpetrator is more likely to be older than the victim (Baruch, 2005). Conversely, Glomb's (2003, p. 492) study of healthcare workers found "Younger employees [...] engaged in more aggressive behaviour". This dichotomy in findings was also noted by Hauge *et al.* (2009), finding that bullying studies investigating age, show mixed results, reporting both negative and no significant relationships. Thus, we develop the following hypotheses:

H_0. There is no power imbalance in the power-difference relationship between the ages of workers when bullying occurs.

Versus

H_A. There is evidence of a power imbalance in the power-difference relationship between the ages of workers when bullying occurs.

Again a cross-analysis of the incidences of bullying was performed between the age groups of the perpetrator and the victim as shown in Figure 3.

Similar to the analysis of organisational level and gender we again found that victims and perpetrators were more likely to be in the same age group, with only the 45-54 age group category showing a slight imbalance between ages. To confirm this we also

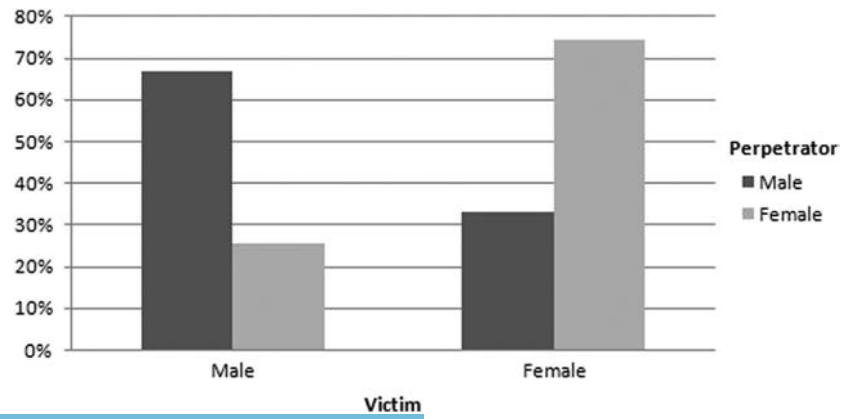

Figure 2.
Gender of bullying victim versus perpetrator

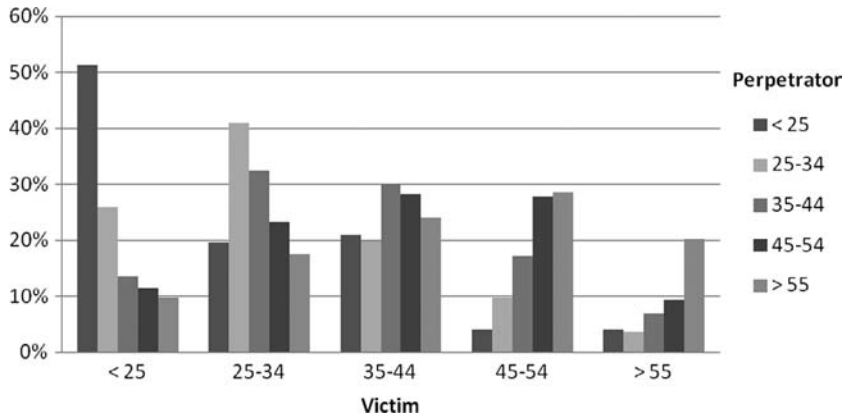

Figure 3.
Age groups of bullying victim versus perpetrator

conducted a correlation analysis between the frequencies of like incidences versus the total reported incidences for each age group as shown in Table III.

The resulting correlation analysis with a r^2 of 0.763 suggests that there is a strong relationship between age groups and bullying, however the p-value of 0.133 casts doubt on whether this holds true. To investigate further we also performed a ratio analysis between victims and perpetrators based on the number of reported incidences of bullying in each age category as shown in Figure 4.

As Figure 4 clearly shows, workers in the younger age groups, especially those under the age of 35 are more likely to be victims of bullying than perpetrators. Thus, we cannot find evidence to accept H_O and not to reject H_A.

What constitutes bullying?

Another question is, "What form does bullying take?" From our literature review, we found that the majority of researchers agree that the most common form of bullying is through verbal communication, as opposed to physical threats or violence (Einarsen, 1999, p. 18). Bullying can also be indirect, consisting of gossiping, rumour spreading and social exclusion (Hauge *et al.*, 2009, p. 350). Other newer forms of bullying can also be found in e-mail communication and other media (Baruch, 2005). Our results confirm the observations of these studies as shown in Figure 5.

When does bullying occur?

Another important question is, "What are the possible antecedent causes that make bullying more likely to occur?" Several studies associate different organisational changes

Age group	Like incidences	Total incidences
< 25	39	241
25-34	101	414
35-44	141	390
45-54	127	300
> 55	46	133

Notes: Pearson correlation = 0.763; p-value = 0.133

Table III.
Analysis of like incidences of bullying by age group

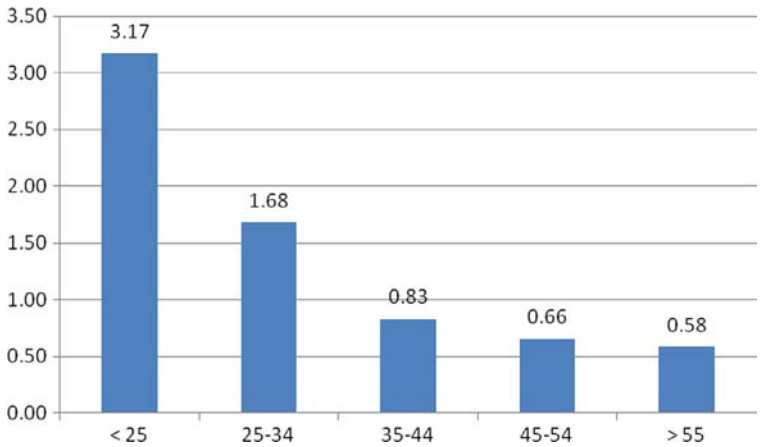

Figure 4.
Victim to perpetrator ratio

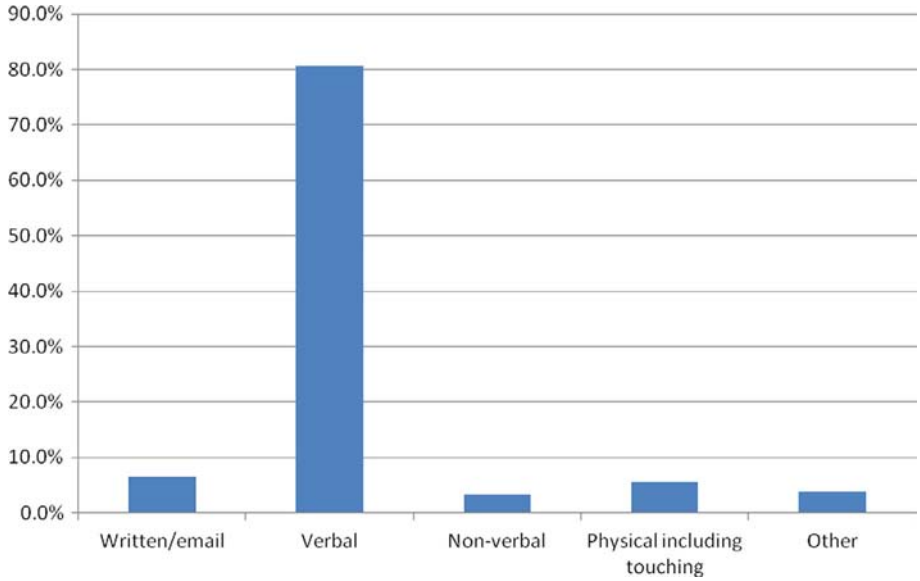

Figure 5.
Forms of bullying

with bullying (Branch *et al.*, 2007; Skogstad *et al.*, 2007). However, as with the question of power distance relationships, there are conflicting views as to whether or not organisational change leads to higher incidences of bullying. For example, Hoel and Salin (2003, p. 215) conclude that "findings [. . .] of cross-sectional studies do not allow for robust conclusions with causality" and "whilst a poor working environment may directly or indirectly give rise to bullying, alternate interpretations may be suggested". Thus, we can develop the following hypotheses to test whether or not organisational change contributes to bullying:

H_0. Times of change in an organisation does not contribute to more or fewer incidences of bullying.

Versus

H_A. Times of change in an organisation contributes to more or fewer incidences of bullying.

As part of our survey, we questioned respondents as to when bullying occurred and asked whether or not the organisation was undergoing change by way of merger, acquisition, restructure or renegotiating a labour contract. Thus, we performed a cross-analysis using the forms of bullying to determine the level of bullying during times of change as opposed to "business as usual". From the cross-analysis, we then performed a goodness of fit (χ^2) test for variations in the level of bullying in times of change. The details of this analysis are presented in Table III. (Note that non-verbal, physical and other categories have been combined because their actual and expected values were less than 5 and were thus merged to ensure test validity.)

As shown in Table IV the result of the goodness of fit (χ^2) test statistic is lower than the threshold at a 5 per cent significance level. Thus, there is no evidence to support H_A and therefore we must accept H_O.

Where does bullying occur?

Another question in our survey related to the situation or context in which the bullying took place. The literature we examined was silent on this issue. However, in our survey we investigated not only where the bullying incidents occurred, but in what context. The result of a cross-analysis of these two questions is shown in Figure 6.

Not surprisingly, considering most bullying is between co-workers, the majority of incidents occur within the presence of one's peers rather than in front of managers or subordinates. However, there appears to be some uneven distribution between where and when the bullying occurs. This leads us to test the following hypotheses:

H_O. Incidences of bullying are not dependent on where and when it is done.

Versus

H_A. Incidences of bullying are dependent on where and when it is done.

Thus, using our cross-analysis we conducted goodness of fit tests for each of the categories of when the bullying incidents occurred versus where they occurred. The results of this analysis are shown in Table V.

	Written/e-mail	Verbal	Other	Totals
Actual values				
Business as usual	85	1,059	165	1,309
Organisational change	7	72	12	91
Totals	92	1,131	177	1,400
Expected values				
Business as usual	86	1,057	165	1,309
Organisational change	6	74	12	91
Totals	92	1,131	177	1,400
χ^2 *test*	χ^2	*df*	$\alpha = 0.05$	*Result*
Business as usual	0.016	2	5.9915	Accept
Organisational change	0.226	2	5.9915	Accept

Table IV.
Goodness of fit (χ^2) test of organisational change and incidences of bullying

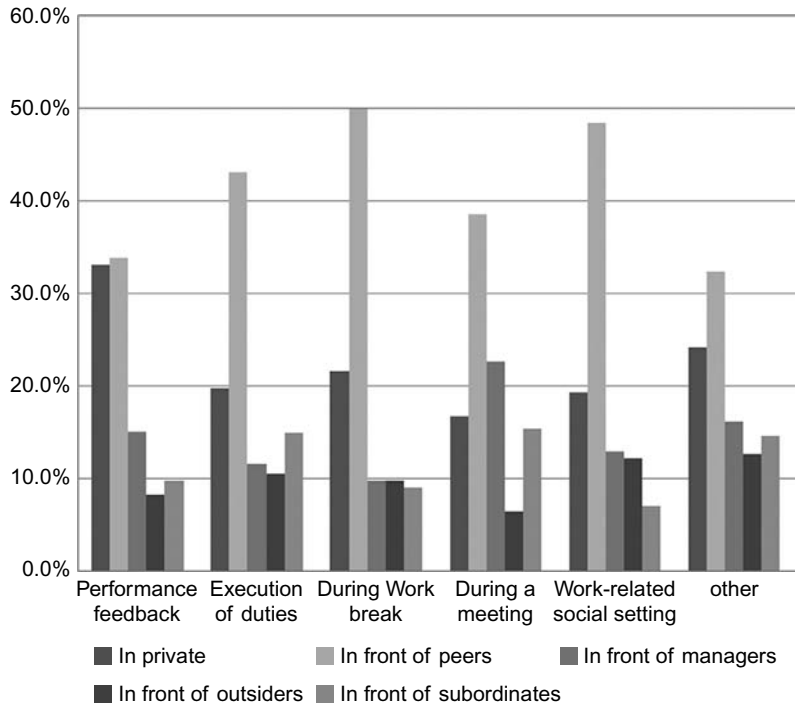

Figure 6.
Where and when bullying incidents occur

The results of the goodness of fit tests allow us to accept the null hypothesis for execution of duties, work break and social settings as places where bullying occurs as expected. However, there is evidence that allows us to reject the null hypotheses for the performance feedback, during a meeting and other categories as the test statistic is greater than the selected probabilities for these categories.

We also display in Table V the individual variance calculations for each "when it happens" category to highlight the reason why the "where" category does not fit the expected values. In the case of performance feedback, it shows that this happens in private as opposed out in the open. This may save the victim some embarrassment and public disclosure, but also gives the perpetrator the opportunity to bully the victim without witnesses. Conversely, bullying in meetings often occurs in front of other managers, more so than peers or subordinates. Thus, the victim here may be disadvantaged because managers may be unlikely to take action when there is a clash between peers as this could be seen as the kind of creative abrasion needed to instil and improve performances and as an accepted part of organisational politics (Ferris *et al.*, 2007).

The impact of bullying

The last part of assessing the risk of bullying in the workplace is the impact of bullying. As identified earlier, bullying has human and monetary costs. In this case, our survey deals with the former as our target respondents were deemed not to have sufficient knowledge of the actual monetary costs of the bullying experiences they

	In private	In front of peers	In front of managers	In front of outsiders	In front of subordinates	Totals	χ^2
Actual values							
Performance feedback	44	45	20	11	13	133	
Execution of duties	298	651	175	159	226	1,509	
During work break	29	67	13	13	12	134	
During a meeting	37	85	50	14	34	220	
Work-related social setting	30	75	20	19	11	155	
Other	63	84	42	33	38	260	
Totals	501	1,007	320	249	334	2,411	
Expected values							
Performance feedback	28	56	18	14	18	133	
Execution of duties	314	630	200	156	209	1,509	
During work break	28	56	18	14	19	134	
During a meeting	46	92	29	23	30	220	
Work-related social setting	32	65	21	16	21	155	
Other	54	109	35	27	36	260	
Totals	501	1,007	320	249	334	2,411	
χ^2 *test*							
Performance feedback *	*9.688*	2.004	0.312	0.545	1.597		14.146
Execution of duties	0.773	0.682	3.191	0.064	1.375		6.086
During work break	0.048	2.175	1.287	0.051	2.321		5.881
During a meeting ***	1.662	0.516	*14.817*	3.347	0.407		20.750
Work-related social setting	0.151	1.626	0.016	0.559	5.108		7.461
Other *	1.490	*5.570*	1.626	1.408	0.109		10.203

Notes: df = 4; $\alpha = 0.05^{*}$ (7.8147); 0.01^{**} (11.3449); 0.005^{***} (14.8602)

Table V.
Bullying incidents: when they accoutred versus when they occurred

were disclosing. The first impact we observed was the action the victim took next as out shown in Figure 7.

Our study demonstrates that, in the majority of cases, the result of bullying concluded with the victim taking some kind of action that would constitute the use of human and monetary resources to deal with the bullying incident as only 26.5 per cent of our respondents indicated that no action was taken. However, what we found particularly disturbing from a risk management perspective is that the response of the organisation is lacking because in most cases, in the opinion of our respondents, organisations did not take appropriate actions to improve the situation. Our research shows that in less than one in six cases of bullying disclosed in our survey the organisation's response made things better (Figure 8). Unfortunately, in many cases, it may be impossible to do so as the damage has already been done. The problem could also be that organisations think that they are responding appropriately with bullying in the workplace, but from the perspective of Australian workers they are not taking appropriate actions or publicly disclosing what is being done to make things better or prevent bullying in the first place.

Discussion: tournaments and preventative actions?

As a result of our quantitative findings, we now discuss our findings supported by evidence from the survey's qualitative empirics as we continue to identify and define

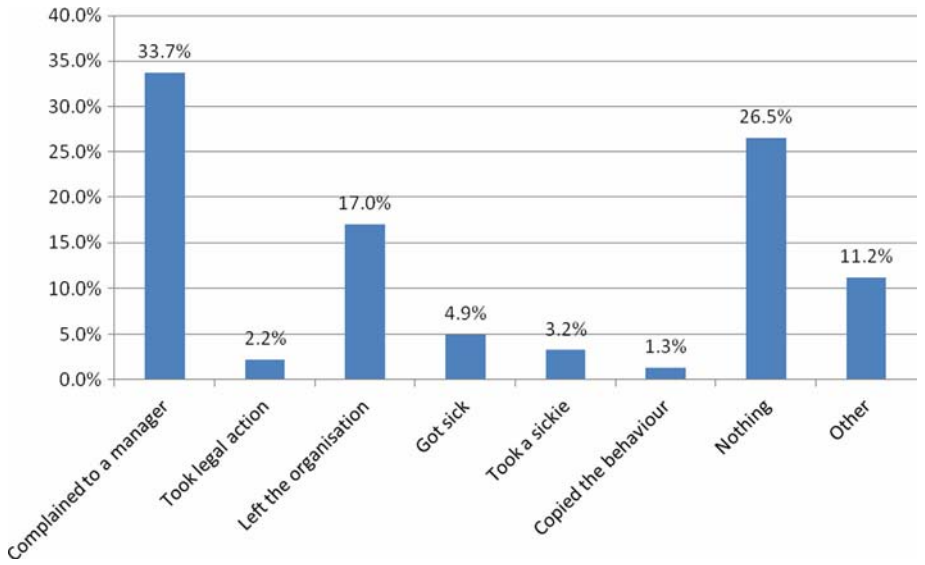

Figure 7.
Action taken by bullying victims

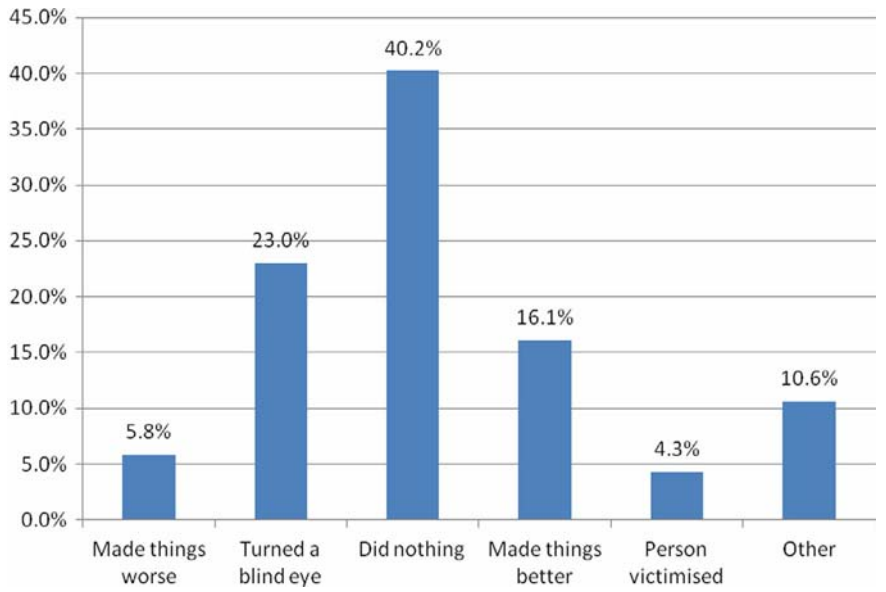

Figure 8.
Organisational responses to victims of bullying

the problem before discussing how bullying risk can be mitigated. We suggest actions managers might take to control bullying behaviour and mitigate its financial and human costs, especially in light of the fact that some of our findings go against academic and practitioner notions of bullying.

The first significant contribution we make is the discovery that bullying happens mostly between peers rather than being perpetrated by people in positions of power over

weaker colleagues. This has major implications for the way bullying is managed and prevented in organisations because it contrasts with the way in which many academics and managers perceive bullying. A primary concern for organisations is managing how peers get along not how power relationships are managed. This finding could be influenced by the prevalence of flatter organisational structures that have been advocated since the 1980s, as opposed to traditional command and control structures that were commonplace decades ago (Ouchi, 1984). Thus, the changing nature of organisational structures may influence the way bullying is perpetrated in organisations because there are fewer management tiers. The implication here is that perceptions and practices for conceptualising and controlling bullying behaviour may not be keeping up with changing organisational structures and management philosophies and practices.

In line with the above finding, it is also significant that bullying extends into all organisational levels and top managers are not immune from bullying especially among their colleagues. This is significant because we believe this is the first study that reveals how the bullying behaviour of people in charge of organisations is not dissimilar to those at lower levels. We suggest this is because employees at all levels compete with each other for promotions in what agency theorists call "tournaments" (Lazear, 1995; Foss, 2003, p. 339). Additionally, we extend this concept of tournaments to the competition between peers for scarce organisational resources and rewards such as promotion, pay, privileges, prestige and status (Becker and Huselid, 1992). Thus, we theorise that tournaments and competitions induce bullying behaviours as it is employees on similar levels who compete in tournaments (Salin, 2003). This has implications for the control of bullying as many of the senior managers and those who report directly to them are responsible for implementing practices to prevent bullying behaviour; that is, they are the perpetrators, competing against each other.

The following comments elicited during our survey about bullying behaviours between senior managers give support to this theory:

> A senior manager who has been with the firm for 35 years is threatened due to his lack of educational knowledge. He will bully individuals to maintain his territory.

> There was significant harassment between members of senior management toward each other. This included both sides verbally putting down the other to staff. This "feud" was fuelled by significant personality and philosophical differences.

> [A] senior manager, constantly ridiculed another senior manager, to make herself look more competent, and the other incompetent.

Another significant finding is related to how and where bullying occurs. As shown in our analysis the majority of bullying is verbal and is likely to occur during the normal course of business, as opposed to times of organisational change or stress. This indicates that bullying is perpetrated as part of the normal day-to-day interactions between people rather than being subject to special circumstances. In line with the tournament perspective of bullying outlined above it seems that most of these interactions are perpetrated between peers in the presence of other peers. However, we also found that bullying is also at times perpetrated strategically during meetings when one's superiors are present. Some further commentary from our survey:

> During a meeting when there was discussion regarding action taken as required, the person taking that action was bullied verbally by two other people who did not believe the action was necessary.
>
> [I was] constantly being snapped at and accused of malice or self-interest when providing a response to a question put in a meeting.
>
> Two colleagues were once friends. Person A chose to no longer be friendly with Person B, as Person B was displaying signs of untrustworthiness and instability. Months later, Person A and B were in a small meeting among leadership and Person B threw a heavy book at Person A, slammed doors repeatedly and swore at Person A, in front of leadership.

The jockeying for position and need to participate and win in tournaments also seems to impact perceptions of bullying between managers and subordinates during private formal and informal performance evaluations. This can be seen as either as a defence mechanism from employees who do not like criticism or as superiors reaffirming their positions of power as the following quotes outline:

> [My] boss threatened to demote me back to my old position because I challenged their ideas.
>
> One supervisor seemed to treat a worker differently to other workers and seemed to be harder on him than others.
>
> Employees were regularly bullied, in that we were all advised that if we did not meet the continually changing targets then the staff may find it difficult to find a position outside of the bank.

The reality of bullying from our findings is that it appears that bullying is an accepted part of organisational life. More disturbing is that it appears that many managers are aware of occurrences of bullying and choose to ignore it and also view it as a normal part of the tournaments between their peers and between employees at lower levels as indicated in the following quote:

> In a discussion on reporting tools a manager became very aggressive and was becoming derogatory in his comments about my perspective on the reporting tools. What was really disappointing was our Director seemed to allow and even support this type of behaviour [. . .].

In our view, top management's inaction towards controlling bullying may actually be encouraging the behaviour. Hence, managers who are not actively becoming part of the solution are actually part of and contribute to, the problem.

The implication for controlling bullying is that organisations should be cognisant of how these tournaments are played out in the organisational environment so that competition between managers and their subordinates or amongst peers potentially increases both personal and organisational performance (Becker and Huselid, 1992). However, managers also need to be aware of the negative side effects of this competition when it turns into bullying behaviour, which in most instances is harmful to the victim (Ferris *et al.*, 2007, p. 196). Thus, there appears to be a line drawn as to when tournaments become counterproductive to the extent that bullying occurs and what are the antecedent conditions that cause this line to be crossed. In other words, what triggers bullying behaviour?

Our proposed answer to this question is that it depends on the personality of the people involved in the tournaments. As outlined earlier, according to Einarsen (1999) research in this area has mainly concentrated on the personality of the victim rather than the personality of the bully. In fact, Einarsen (1999, p. 19) outlines that in many instances, it is the victim's personality traits that are the focus and the victim who is blamed for his or her "misfortune" while "third parties or managers may see the situation as no more than fair treatment of a difficult and neurotic person". However, other studies posit that it is the difficult personality of the bully that is to blame and the qualitative data from our survey seems to support the contention that the main influencing factor is the personality of the bully. The following quotes are typical of those from bullying victims who responded that they took legal action or quit their jobs over their bulling experiences. In each one, we can identify the personality and the bullying behaviour influencing the victim's subsequent action:

> An inexperienced person recently appointed to our middle management team developed a complex due to senior managers discussing critical matters directly with me [...] The person rather than discuss the situation with senior management, commenced a campaign against me which included denigration of my work and abilities, attempts to isolate me from projects, verbal abuse and instigating vindictive gossip about me.

> He was not a people person; he always said he could not tolerate fools, Asians, Indians and any other non white Australian. The last straw for me was when he accused me of deriding his staff and would not listen to my side. The whole time my "supervisor" was sitting in on the ordeal and did not say a word!!! That's when I notified the Fair Works Ombudsman and left!!

> [The] Board chairman persistently belittled quality of [my] work and made denigrating comments. Even when subsequent events proved he was incorrect, he would refuse to acknowledge this. [He] would withhold information and then attempt to blame me for any shortcomings.

However, the personality of the victim is also a factor. In particular, the resilience of the victim of bullying contributes. From our qualitative data many of the stories from victims who did nothing about being bullied resemble those above without the subsequent action of legal action or leaving the place of employment:

> Another female employee at my workplace will constantly try and intimidate me. There have been times when I have been shoulder barged, had a door slammed in my face and I have been told that she is behind false rumours and has been talking about me behind my back.

> I nearly had sex with my boss one night but since I decided not to, she decided to harass me and tried to force me to quit with false accusations and threats. She is a very childish and demonic woman, and I don't think she will change unless something drastic happens to her herself.

Additionally, some of the stories include remarks about how their personal strength helped them overcome the bullying as follows:

> I was new and working for [a] supermarket [...] and the manager [...] I was under the impression we had a personality clash and would not talk to me as kindly as other employees. Anyway I'm not the type of person to let such things affect me because I was there to work [...].

> My boss [. . .] came up to me and dragged me aside and began to lecture me, swearing and yelling and threatening to fire me [. . .] for the rest of the day he picked on what I did, my work ethic and my intelligence [. . .] Now I try and avoid my boss [. . .].

The reality for organisations is that bullying is multi-faceted and not easy to prevent. However, a first step towards prevention "is that organizations must acknowledge the magnitude and costs of the problem" (Meglich-Sespico *et al.*, 2007, p. 40). As can be seen from our survey results, respondents believe that most organisations ignore bullying, or do little to improve the situation. Sometimes, the responses make bullying incidents worse (Meglich-Sespico *et al.*, 2007, pp. 34-5). Our qualitative data supports this finding, as it is littered with evidence of how managers in organisations tend to ignore bullying complaints or punish employees for complaining as the following examples show:

> Reports to senior management about these incidents were not acknowledged, let alone investigated.

> I had not made a complaint as other trainees that had complained were dismissed.

> There was no follow up from the leadership about my well being or that [the perpetrator] was going to be moved [. . .].

> I was bullied in the workplace, which lead to a real nervous breakdown [. . .] I lodged a claim with Fair Work Australia, but my situation was never recognised as a workplace problem.

> When this sort of behaviour was raised with administration staff and the employer, no support was offered to staff.

Conclusion: mitigating the risks

From a management control and accounting perspective, one of the problems with bullying is that many organisations do not keep track of the number of incidents of bullying nor do they attempt to account for the cost associated with bullying. Kahn *et al.* (2010), in a recent study that investigated the prevalence of accounting for workplace health in 233 the UK organisations, outlined an example in which the incidence of bullying and harassment was measured. However, the report also found a low incidence of accounting for workplace health issues in general with accounting and finance employees disclosing that in less than 30 per cent of the organisations sampled did this occur. Despite the cost to employee well being and the financial costs due to absenteeism, lower productivity and wasted management time in dealing with bullying incidents, accounting for bullying incidences and costs, is low on the management control and accounting agenda.

A related issue is measuring bullying based on different interpretations on what is actually meant by the term. As outlined in our methodology, we ensured we defined the term for our respondents so as to eliminate some of this confusion. However, in organisations the disparity about what constitutes bullying can vary widely as Liefooghe (2003, p. 24) reports:

> Incidence rates of bullying tend to be reported at levels of approximately 10% when measured by [formal survey] instruments [. . .], but self-report measures are closer to 50%, the question arises as to how we explain the missing 40%.

The ambiguity that surrounds bullying can, in part, help explain the politics of bullying and our findings whereby management tends to want to "sweep the issue under the carpet" and employees like to complain and maybe claim they are being bullied when they are not in order to seek some political advantage. Hence it seems important to ensure the "possible political aspects of bullying [. . .] be taken into account in order to be able to undertake successful prevention and intervention measures" (Salin, 2008). The implication from a management control and accounting perspective is that the mangers who perform these functions can also be the perpetrators and their participation in organisational politics and competitive tournaments among their peers may well be preventing the recognition and control of bullying counter to what is good for the organisation.

The wide variety of perceptions of how bullying is defined is matched by the wide variety of workplaces and industries from which our respondents come and which forms our data set. Hence we argue that bullying is highly contextual and dependent on factors such as type of industry, flat versus hierarchical organisations, organisational culture and management styles. For example, our survey data showed that bullying was perceived to be statistically significantly higher in the government, emergency services and health sectors. However, even though the data we present here can be statistically generalised for the Australian population, when bullying needs to be managed it needs to be managed in the context of the specific organisation. This makes generalised accounting for bullying difficult and hence management control and intervention is difficult unless organisations and their senior managers face the fact that bullying occurs, it can be managed, and can transcend them participating in organisational politics and competitive tournaments.

To overcome these issues we advocate a more "hands on" approach to managing bullying by gathering narrative and statistical information for understanding the nature and context of bulling in a specific organisation. We also advocate using independent researchers to determine the incidence and costs of bullying in organisations in order to give an unbiased view of bullying in a particular organisation because of the propensity of managers to "sweep the problem under the carpet" once they are aware of it. Thus, the implication of our research methodology is that it provides an example of how managers can enlist the support of academics and/or consultants to gather both qualitative and quantitative information about the prevalence of bullying and the context in which it occurs as we have done on a national basis in this study.

We believe our research methodology has two advantages for understanding the context of bullying in specific contexts. First, it acts as a sense-making device (Weick and Browning, 1986; Weick, 1995) for managers by providing them with hard data about the number of perceived incidences of bullying (and other possible bad behaviours) as well as the graphic details that employees are often willing to share when their anonymity is assured through utilising researchers/consultants who are independent of the organisation (Dumay, 2011). Second, it creates what Westley (1990) calls "strategic conversations" within organisation whereby particular strategic issues can be addressed and brought to the attention of all concerned potentially counteracting the managers who choose to ignore rather than confront the issue. Once organisations make sense of the problem and understand its context, it should then be easier for organisations to know what are the particular issues they must confront in order to mitigate the human and financial costs of bullying.

A possible disadvantage of our methodology is that it does not address accounting for the actual financial cost of bullying regardless of how much awareness we raise. However, we believe this will be problematic for almost any methodology employed because of what is known as loose-coupling (Orton and Weick, 1990). While we can make sense of the fact that bullying has costs, we cannot pinpoint the exact dollar costs because they often take the form of lost opportunities, and are rarely associated with actual monetary transactions. Therefore, it is difficult to put an exact dollar cost on bullying even in a specific context. However, we could use our research methodology along with other organisational performance measures to follow-up after management control interventions into bullying has been made, ensuring that proxy measures such as bullying incidence rates, employee turnover, absenteeism and engagement have changed for the better (Rayner and Cooper, 2004), along with narratives from employees to give qualitative support to outcomes.

Note

1. www.abs.gov.au/ausstats/abs@.nsf/mf/3101.0/

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Corresponding author
John Dumay can be contacted at: john.dumay@sydney.edu.au