

Submission

to the

**Ministry of Business,
Innovation and Employment**

on the

**Bullying and Harassment at
Work Issues Paper: An In-
depth Look**

31 March 2021

About NZBA

1. The New Zealand Bankers' Association (**NZBA**) is the voice of the banking industry. We work with our member banks on non-competitive issues to tell the industry's story and develop and promote policy outcomes that deliver for New Zealanders.
2. The following seventeen registered banks in New Zealand are members of NZBA:
 - ANZ Bank New Zealand Limited
 - ASB Bank Limited
 - Bank of China (NZ) Limited
 - Bank of New Zealand
 - China Construction Bank
 - Citibank N.A.
 - The Co-operative Bank Limited
 - Heartland Bank Limited
 - The Hongkong and Shanghai Banking Corporation Limited
 - Industrial and Commercial Bank of China (New Zealand) Limited
 - JPMorgan Chase Bank N.A.
 - Kiwibank Limited
 - MUFG Bank Ltd
 - Rabobank New Zealand Limited
 - SBS Bank
 - TSB Bank Limited
 - Westpac New Zealand Limited

Introduction

3. NZBA welcomes the opportunity to provide feedback to the Ministry of Business, Innovation and Employment (**MBIE**) on the issues paper: *Bullying and Harassment at Work (Issues Paper)*. NZBA commends the work that has gone into developing the Issues Paper.

Summary

4. NZBA supports MBIE's review of the legislative and regulatory systems designed to prevent and respond to bullying and harassment at work. We agree that bullying and harassment at work is a complex and serious issue that can have severe and long-lasting effects on employees' wellbeing, and we commend the careful manner in which MBIE has described and identified these sensitive issues in the Issues Paper.

5. We have observed that the following three areas are crucial for workplaces to appropriately prevent and respond to workplace bullying and harassment:
 - (a) creating a workplace culture where employees feel safe, supported and heard;
 - (b) educating all staff on what bullying and harassment look like, and creating a safe environment for them to speak out and respond when bullying and harassment occur; and
 - (c) establishing processes that allow employers to intervene early and appropriately, with a focus on the needs of the individuals involved.

6. NZBA would support the creation of a public/private sector working group to jointly develop best practice guidelines on bullying and harassment issues, including initiatives on workplace culture, guidance on sensitive and appropriate ways to respond to instances of bullying and harassment, and best practice for senior management and Board reporting on culture. This group could create a centralised repository of best practice education resources, available for distribution to all workplaces.

Observations from the banking industry

7. Recent reviews of the banking sector have prompted our members to review their workplace conduct and culture, including consideration of issues around bullying and harassment.¹ The FMA and RBNZ review found that conduct and culture issues were not widespread in New Zealand registered banks.

8. In the two years since the FMA and RBNZ review, banks have been regularly reporting to the FMA and RBNZ on how they are improving culture and conduct. Based on our members' experience, we believe there are three key areas that are essential in preventing and responding to workplace bullying and harassment.

Culture

9. Establishing an inclusive and supportive workplace culture where diversity is celebrated is essential to preventing bullying and harassment. All organisations should strive to create an environment where employees feel both psychologically and physically safe at work. Once this foundation is established, boundaries of accepted behaviour typically become clearer, and employees feel more empowered to speak out against unacceptable conduct.

¹ Including the Australian Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry, and the Financial Markets Authority (**FMA**) and Reserve Bank of New Zealand's (**RBNZ**) review of conduct and culture in New Zealand retail banks.

10. Our members have undertaken a range of actions to facilitate an environment where employees feel supported, safe and heard. These include:
 - (a) Regular sessions for employees to share their views (e.g. culture workshops).
 - (b) Measurement, feedback and employee satisfaction tools. This includes surveys specific to how the organisation approaches bullying and harassment.
 - (c) Unconscious bias training.
 - (d) Updating internal whistleblowing policies.
 - (e) Supporting the Banking Ombudsmen Scheme's Whistleblowing Service, an alternative avenue for reporting wrongdoing via an independent channel.
 - (f) The introduction of Codes of Practice, which operate as a blueprint for staff conduct in the workplace.
 - (g) Promotion of "speak up" channels for employees to raise any issues or concerns.

Education

11. It is extremely important that both managers and staff are educated on what bullying and harassment look like, and how to prevent and respond to instances of bullying and harassment.
12. Managers are key role models in all organisations and are responsible for creating a culture where bullying and harassment are unacceptable. Managers must be educated on what types of behaviour are unacceptable in the workplace, so that they can model acceptable behaviour and identify bullying and harassment when it occurs.
13. Managers should also be educated on how to respond appropriately to bullying and harassment. Employees experiencing bullying or harassment can be severely adversely affected, and managers should be given appropriate training in how to handle these sensitive situations (this is particularly the case in instances of sexual harassment, which are often traumatic for those involved).
14. Bullying and harassment education should not stop with managers. All employees should be given the appropriate knowledge and resources to feel equipped to raise concerns and call out unacceptable behaviours in the workplace.

15. Our members have instigated the following initiatives to educate their employees on bullying and harassment:
- (a) HR-led training sessions and creation of training modules and guides for leaders and individuals.
 - (b) Behavioural expectations clearly articulated through organisational values, codes of conduct and specific policies on bullying and harassment. These expectations are communicated through internal channels to educate staff on these expectations (e.g. interviews with members of the Executive on culture, behavioural expectations, etc.).
 - (c) Promoting whistleblowing policies to staff to ensure people know how to address bullying behaviour they experience or witness and use the correct channels to report it.
 - (d) Educating staff on the difference between wrongdoing and employment-related issues (e.g. performance management).

Early and appropriate intervention

16. Bullying and harassment should be identified and acted upon as early as possible. More serious instances of bullying and harassment often snowball from earlier, smaller instances. Identifying and calling out all unacceptable behaviour as early as possible will, in many instances, prevent this behaviour from developing into something more serious.
17. Workplaces should have processes in place to allow for early identification and response to bullying and harassment. These processes should recognise that there is not a “one size fits all” response when it comes to these issues; the appropriate response should depend on the extent of the harm suffered and the needs of the individuals involved. This also recognises that not all instances of wrongdoing need to be resolved through a formal process (especially those that are identified early). In some cases, it may be preferable to address behavioural issues informally in the first instance, for example through education and the communication of organisational expectations relating to culture.

Contact details

18. If you would like to discuss any aspect of this submission, please contact:

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