# PSYCHO-TERROR AT WORK OR THE HIDDEN FACTOR THREATENING COMPETITIVENESS (GENERATION AND GENDER ASPECTS)

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**Keywords:** mobbing, competitiveness, economic impact, motivation, generational and

gender differences

**JEL Classification:** M00, M12

## 1 INTRODUCTION

Psycho-terrorism at work, also known as mobbing, is receiving increasing attention in both research and practice. Psycho-terrorism in the workplace not only has a detrimental effect on the mental health of the workers concerned (e.g., depression, self-esteem problems, loss of motivation), but also has significant economic consequences. It reduces productivity, increases turnover, and worsens organisational efficiency. A negative workplace climate leads to a decrease in employee engagement and innovation handicaps, which, in the long run hampers sustainable economic growth. The correlation between demotivation and mobbing further worsens the workplace climate, making early detection and effective management of this phenomenon a priority. Studies show that different generations (e.g., Generation X, Y, Z) [7] and men and women may react differently to the stress they are exposed to, which justifies the development of new motivational strategies [7]. Based on the available sources, this summary presents the economic impact of workplace psycho-terror, the results of national and international research on the phenomenon, and possible conclusions.

# 2 MATERIAL AND METHODS

The available resources mainly consist of literature reviews and secondary analyses on the topic of psycho-terror at work. It reviews the national and international literature and then uses secondary analyses to examine the organisational and macroeconomic effects of the phenomenon, emphasising the importance of prevention and intervention. The paper presents a case study to illustrate the phenomenon and describes the current state of regulation of workplace psycho-terror in Hungary [1]. The papers [2, 5] refer to previous research and national surveys on the occurrence of psycho-terror and stress at work. They also touch upon legal literature on the regulatory issues of the topic. The methodology is therefore based on a review of the relevant literature, a synthesis of previous research findings, and a demonstration of the complex effects of the phenomenon.

# 3 RESULTS

Studies show that psychological terror in the workplace has significant economic consequences. It reduces productivity, increases turnover, and worsens organisational effectiveness. Workers' performance affected by psycho-terror declines and sick leave increases, with direct



costs and loss of competitiveness [6]. A negative workplace climate leads to a decrease in employee engagement and innovation, which in the long run hampers sustainable economic growth. Surveys on the prevalence of psycho-terror at the workplace show mixed results. In Germany in 2002, the rate of psycho-terrorism at work was estimated at 2.7% [4]. In Sweden [3], 3.5% of the population was exposed to the phenomenon, and 10-20% of suicides were associated with workplace mobbing [4]. According to a survey from 2022 [5], the average score of the LIPT questionnaire varies across different sectors (trade: 8.078; hospitality/tourism: 9.08; education: 6.353; health: 6.432) [5]. Studies emphasise the link between psycho-terror at work and stress. Although the two concepts are not identical, workplace psycho-terror may be one of the possible causes of stress. Chronic stress is one of the leading health risk factors today and is also a serious problem in Hungary [6]. It has been estimated that the loss of GDP caused by work-related stress in Hungary is estimated to be around HUF 1000 billion per year [6]. Excessive workplace stress can also lead to an outflow of labour, which causes additional costs for companies [6].

## 4 CONCLUSIONS

Studies clearly show that workplace psycho-terror has a significant negative impact on individuals, organisations, and the economy [2]. Early intervention is essential to prevent further suffering and protect the interests of companies. Currently, there is no national research to accurately determine the costs of workplace psycho-terror for those who suffer from it. One means of prevention could be to include effective conflict management in the training curriculum [2]. Overall, workplace psycho-terrorism is a serious problem, and its recognition, prevention, and effective management are essential to maintain competitiveness and sustainable economic growth.

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