

Smoke-free laws have no impact on employee turnover

Supporting the argument that smoke-free laws do not damage the hospitality industry, restaurants that ban cigarette smoking haven't suffered from increased employee turnover, according to a new report published in the current online issue of Contemporary Economic Policy. The report, "Smoke-Free Laws and Employee Turnover," was the first of its kind to examine the impact of smoke-free laws on the restaurant labor market.

"We already know from multitudes of other studies that going smoke-free doesn't hurt business," said Ellen Hahn, professor at the University of Kentucky College of Nursing. "But this is the first one to look at how smoke-free laws may impact employee retention and training."

The study examined payroll records of a franchisee of a national full-service restaurant chain that operates 23 restaurants in the state of Arizona, a state where several communities have adopted smoke-free laws.

"We thought we might see a short term spike in turnover but we didn't see that," said Eric Thompson, associate professor with the University of Nebraska-Lincoln.

In fact, they found a decline in the probability of turnover in the initial months after a smoke-free law was implemented as well as evidence that turnover rates were lower 16 to 18 months after implementation. However, over the long-run (a five year period) there was no consistent pattern of either a decline or an increase in employee turnover after the implementation of a smoke-free law.

By focusing on how a smoke-free policy impacted the restaurant workers' interest or ability to stay on the job, the study supports existing evidence showing that smoke-free laws are positive for business.

"The reactions of the workers to the smoke-free laws showed that they weren't apt to leave their jobs after their restaurants went smoke-free," said Hahn.

Health advocates support local smoking ordinances as a public health strategy to enhance the safety of workplaces. But like many safety regulations, smoke-free laws have the potential to introduce economic inefficiencies. One earlier belief was that the introduction of a smoke-free law may cause some workers to leave their jobs at bar and restaurant businesses. "The concern was that once smoking was no longer allowed, workers would no longer be interested in that particular job. Ostensibly, when the smoking law changed, the mix of characteristics in their job (such as wages, job responsibilities, the presence of second hand smoke) may have changed and caused people to choose another place of work. But the study did not bear this out," said Thompson.

Author Ellen Hahn hopes that this study will give the restaurant industry the courage to stop fighting smoke-free laws.

"There's no reason the hospitality industry should resist smoke-free legislation in light of the huge body of research showing that it doesn't impact business," said Hahn.

Source: Substance Abuse Policy Research Program

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