

# **ITM's No-Tolerance Sexual Harassment Policy**

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## **Abstract**

This case study takes place in the context of a large corporate technology services firm. It explores the question of what constitutes sexual harassment as well as how best to draft a no-tolerance policy. The scenario examines behaviors that may or may not be considered illegal, the responsibility of all employees to foster a harassment-free environment, and what an effective no-tolerance policy might look like that minimizes possible conflicts of interest. Students are given an opportunity to reflect on several issues, including how the agents should act situationally and how the policy might best be (re)designed and implemented going forward.

## **Learning Outcomes**

Students should have an improved understanding of the following:

- Identification of inappropriate sexual behavior and the boundary between illegal and unethical behavior.
- Employee responsibility in fostering a harassment-free workplace.
- Recognition of the structure of an effective no-tolerance harassment policy that minimizes possible conflicts of interest.

## Case

Sophie Slayer, a highly confident young woman in her mid-thirties, worked for a large U.S.-based multinational tech firm called ITM (International Technology Machines). ITM provides technology solutions for large international businesses. Sophie had worked her way up to mid-level project management without a graduate degree largely on the basis of her extraordinarily high competence and eagle-eyed attention to details that tended to overwhelm other managers. She had an uncanny ability to maintain a complete bird's eye view of any project, so that whenever any aspect changed or evolved, she could immediately discern all of the different ways the project would be affected. It was as if she'd been born with double the working memory of an ordinary person. This skill became evident early on in her career; in disaster recovery, her team had to work around the clock at full speed to recover client firms' lost data. She had become so relentlessly efficient that whenever she was transferred from one account to another, ITM would have to bring in three or four employees to replace her.

Recently divorced after a ten-year marriage that had grown sour and loveless, she felt rejuvenated and was determined to enjoy life fully. In the process, she had changed her conservative, married look to a head-turning one featuring long flowing highlighted hair and miniskirts that looked fantastic on her tall fit frame. After being assigned to a new project at The Hamburg Group, a New England insurance company, she began attracting persistent, unwanted sexual advances from some of her male clients, including one particularly obnoxious man named Chad Belcher. At first, she just wrote off the occasional inappropriate comment as an occupational hazard for an attractive woman in a male-dominated business world. As a manager at the Hamburg, Chad was her client, so Sophie didn't want to burn any bridges between the two companies. Ignoring his advances only emboldened Chad. It would be difficult for Sophie to formally retaliate against his harassment given that each worked for a different firm.

Toward the end of a particular project phase that required daily face-to-face interaction, Chad's inappropriate comments had begun to escalate. One day, as she walked into the conference room in a pink plaid miniskirt, Chad arrived beside her, looked her up and down, and asked with a devilish grin, "Aren't you kind of chilly in that?" To which she replied with a detached shrug, "Well, it's wool, so not really," and took her chair. This temporary meeting space didn't yet have

a conference table, so everyone simply gathered in a circle. Chad chose the seat directly across from her and kept looking her up and down, obviously savoring her with his eyes. At the end of the meeting, Chad got up quickly to hold the door for her and as she passed through—carefully avoiding eye contact so as not to encourage him in any way—he loudly sighed “Mercy!”. Later that day, Chad swung by her desk as he was leaving the office and said, “Hey hot stuff, how about cooling down with a drink with me at happy hour?” Flashing him a slightly pained smile, she declined, saying that she still had work to do. After he left, Lillian Peterson, Sophie’s ITM colleague and immediate superior, passed by Sophie’s desk and remarked pointedly that she thought Chad might have a “thing” for her. Sophie chuckled, mentioning that she’d brushed him off and he was crass but harmless.

Sophie’s working relationship with Lillian had already become somewhat strained since the project had started heating up, a not unusual occurrence because of Sophie’s extraordinary competence. Because she was so good at keeping everything going, people tended to lean on her heavily. As a result, her responsibilities mushroomed and eventually came to rival those of the project’s top executive. In Lillian’s case, the top executive had started to bypass her, going straight to Sophie for information and updates. Lillian felt threatened, because if this continued, Sophie could perhaps leap-frog her for promotion. The only thing potentially stopping Sophie was her lack of a graduate degree, with which she would likely already be a project executive. Given her vast experience, ability, and leadership skills, it was clear to everyone that Sophie would continue moving up, if at a somewhat slower pace than she arguably deserved.

Sophie tried not to let Lillian worry her since there was really not much she could do about it. She’d been working at ITM for over a decade, earning the highest marks on her reviews, so job security was not an issue unless one of her superiors did something extreme to sabotage her, which was highly unlikely. All in all, she was a happy and thriving employee with a skin too thick to let office politics trouble her. And she could take whatever lecherous clients like Chad Belcher could dish out, or so she thought.

The next morning, as she was sitting at her desk typing away, Chad ambled over and reached across her desk, grabbing a handsome steel pen lying next to her note pad. It was unusually thick

and smooth with a broad round tip. Chad brandished it to get her attention and then, with a devious smirk looked right at her and said “Yowza! I can see why you’d want to keep this big boy around.” It was a surprisingly crude remark, even for Chad. But Sophie brushed it off with an eye roll and simply continued her work. The day continued uneventfully and she was able to get home by a reasonable hour.

Just as she sat down to dinner, she received an urgent call from Carol Rogers, her human resources manager. Carol apologized for calling her after work, then asked if she was aware of ITM’s no-tolerance sexual harassment policy. Sophie said that she’d heard about it and had signed up to do the online training in the coming weeks. Carol went on to explain that the policy requires any ITM employee who either experiences sexual harassment or witnesses it happening to someone else to report it immediately to HR. She then asked Sophie if Chad Belcher had said anything inappropriate to her or made any unwanted sexual advances. Sophie replied that he’d made some borderline remarks but that she didn’t consider them to amount to a real problem. Carol proceeded to ask about several specific events, including the remark about feeling cold in her miniskirt, looking her up and down, and of course today’s lewd pen comment. Sophie realized that the eye witness could only be Lillian. When she asked, Carol confirmed that it was Lillian, and that she could have chosen to report it anonymously. There was little Sophie could do at this point but admit that the events did indeed occur. At that point, Carol thanked her and said that she would call her back shortly.

Carol called back about an hour later and explained that company policy in such obvious harassment cases is to recommend transfer to another account to avoid a protracted legal battle with the client’s firm. As it happened, there was currently an opening that involved promotion to a higher rank, but without any immediate salary increase. The executive she’d be working for was already keen to hire her based on her stellar reputation, but the decision rested entirely with Carol and Sophie. Carol mentioned that Lillian was also in favor of her accepting the new position. The move would be good for Sophie’s career and the safest way to keep the harassment from spiraling into something more serious that could undermine the project and even jeopardize the long-term contract between ITM and the Hamburg Group.

Sophie couldn't shake the feeling that this was Lillian's way of getting rid of her and taking back full control of the Hamburg account. It didn't seem fair that Lillian could swoop in like this and lodge a formal complaint on her behalf without consulting her first. After all, shouldn't Sophie be the judge of whether someone is harassing her? In any case, Carol told Sophie that she had until the next morning to make her decision.

### **Discussion Questions**

1. Why would a company institute a no-tolerance sexual harassment policy in which all employees are required to report observed harassment by or of any other employee(s)? Is such a policy a good idea? Why or why not? What kind of unforeseen problem(s) could such a policy create?
2. Do any of Chad Belcher's actions qualify as illegal harassment as defined by U.S. civil rights law? Why or why not? If you don't think his actions meet that standard, do you think they are unethical? Why or why not?
3. Was the way in which Lillian Peterson reported Chad's behavior ethical? Did she have a moral obligation to speak up? Could she have proceeded in another way that would have been more ethical? Explain each of your answers.
4. Can harassment be objectively defined, or does it depend on how the person subjected to it feels? Explain your answer.
5. A commonly used general definition of sexual harassment is "unwanted sexual advances". Some critics argue that the trouble with this definition is that there is no way to know if advances are unwanted prior to making them. What do you think of this definition?
6. Try to formulate your own definition of sexual harassment. Can you come up with a satisfactory definition, or does the concept tend to escape it the way Supreme Court Justice Potter Stewart famously defined pornography: "I know it when I see it"?
7. Is there anything that an ethical no tolerance harassment policy might include to avoid conflicts of interests that could pit employees against each other? Explain your answer.

