

Why Board Members Should Care About Sexual Harassment

If there is a lesson to be learned from the recent wave of high-profile claims it is that sexual harassment allegations are bad for a company's bottom line, reputation and corporate culture. From expensive settlements to staff turnover to bad press, harassment claims are ugly and they aren't going away.

In this #MeToo era employers and employees are now asking more questions and paying much closer attention in harassment prevention courses. This new level of engagement certainly makes trainings more productive and interesting and companies are now requesting training not only for their management team, but for their entire staff.

All of the discussion around this subject is positive, however, all too often board members are unaware of the responsibilities they have when it comes to responding to claims of harassment in the workplace. Public companies require boards to disclose harassment claims to shareholders in certain cases, but even private and non-profit companies risk reputational damage and lost revenue when a claim of harassment is not handled quickly and appropriately. Remember, all board members are fiduciaries of their companies, which means they are responsible for protecting the Company from claims and potential liability.

Board members, whether intimately involved in the operations of a business (not a good thing) or whether governing from a distance, need to educate themselves on how the company handles allegations and harassment claims.

At a minimum, Board Members should receive:

- A copy of the organizations' sexual harassment policy
- A copy of the organizations' investigation procedures
- Information on how and when the board is notified of harassment claims and how claims should be discussed in board meetings (i.e. closed or executive session)
- Board responsibilities in handling harassment allegations
 - When should the board hire an outside investigator?
 - How quickly should the board respond to the complaint?
 - Are all board members involved or is there a subcommittee?
 - When should the board include legal counsel in the process?

Board members can be proactive and help a company avoid claims by setting the tone for a harassment free workplace in two ways. First, they can ensure the current company harassment policy is up to date and relevant. Second, the board should require everyone in the organization to be trained, including board members, senior management and staff.

Board inclusion in company training, whether it's on line, via webinar or best of all, on site, sends a clear message to all there is a true commitment to a workplace with zero tolerance for harassment.

CEA is here to help employers establish policies, procedures and training that will reduce the likelihood of harassment in your workplace.

Kim Gusman, President & CEO of the California Employers Association