

3.4.1: EEO Violations

Learning Objectives

- Identify the impacts of EEO violations



Figure 3.4.1.1

In 2018, the EEOC received 76,418 charges of workplace discrimination, including approximately 40,000 charges of retaliation, 25,000 charges of discrimination (in each category) based on sex, disability and race and 17,000 charges of age-related discrimination.^[1] The agency resolved 90,558 charges, securing over \$500 million in settlements for victims in the private sector, state and local government, and federal workplaces.

In the press release announcing 2018 fiscal year statistics, Acting Chair Victoria A. Lipnic states that “we cannot look back on last year without noting the significant impact of the #MeToo movement in the number of sexual harassment and retaliation charges filed with the agency.” The number of sexual harassment charges filed increased 14% over 2017 and the agency obtained \$56.6 million in monetary benefits for victims of sexual harassment.

For perspective, here are a few recent verdicts and settlements:^[2]

- **7/2019—\$3.8 million.** Judgment against City of Tucson for failing to provide a lactation room for a firefighter
- **6/2019—\$5 million.** Proposed agreement to settle a class-action suit claiming that JP Morgan Chase Bank’s paid parental leave policy discriminated against fathers
- **2/2019—\$1.5 million.** Punitive damages for an ex-KFC employee for breastfeeding accommodation violations.
- **2/2019—\$11 million.** Judgement against Silverton Partners, Inc. for sexual harassment, retaliation, failure to prevent harassment/retaliation and negligent supervision, retention, and hiring.
- **11/2018—\$6 million.** Judgement against Teva Pharmaceuticals for discrimination on the basis of age, national origin and retaliation.
- **10/2019—\$3 million.** Judgement against PPG Industries, Inc. for gender discrimination. Half of the award was damages for emotional distress.

Practice Question

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As a Center for American Progress report notes: “There’s a price to be paid for workplace discrimination.” And that price includes more than attorney fees and judgements. In addition to the direct costs of non-compliance, there are operating, brand and human costs, including not only management time in responding to or defending against a claim but the impact on how an organization is perceived by customers, partners and employees. Looking at just one aspect of that equation—turnover—The Level Playing Field Institute estimated the cost of unfairness to be \$64 billion in 2007. This figure doesn’t factor in penalties, brand impact or the morale and productivity of employees who remain. This is simply the estimated cost of losing and replacing more than 2 million American workers who leave jobs annually due to unfairness and discrimination. The report goes on to state that “businesses that discriminate based on a host of job-irrelevant characteristics, including race, ethnicity, gender, age, disability, and sexual orientation and gender identity put themselves at a competitive disadvantage compared to businesses that evaluate individuals based solely on their qualifications and capacity to contribute.”^[3]

Although the Center’s point of reference is LGBT individuals, the points they make are valid across the spectrum of diversity. Specifically, discrimination against employees based on factors unrelated to job performance negatively impacts the economic performance of businesses in every human resource and revenue-generation category including recruitment, retention, job performance, productivity, engagement and marketing to consumers.

1. "EEOC Releases Fiscal Year 2018 Enforcement and Litigation Data." U.S. Equal Employment Opportunity Commission. April 10, 2019. Accessed September 14, 2019. ↵

2. "[Verdicts and Settlements](#)." Employment Law Information Network. Accessed September 14, 2019. ↩
3. Burns, Crosby. "The Costly Business of Discrimination." Center for American Progress. March 2012. Accessed September 14, 2019. ↩

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