

12.4: Case Study: EEOC Settles Suit Against Salomon Smith Barney For Race and National Origin Bias

African-American, Haitian, Nigerian, and West Indian Workers To Receive \$635,000

NEW YORK -- The U.S. Equal Employment Opportunity Commission (EEOC) today announced a \$635,000 settlement of an employment discrimination lawsuit against Salomon Smith Barney (Salomon), a subsidiary of Citigroup and the nation's second-largest retail brokerage firm. The suit, filed under Title VII of the Civil Rights Act of 1964, was brought by EEOC on behalf of 13 current or former employees of Salomon's Greenwich Street Data Center who were subjected to disparate treatment and harassment based on their race and/or national origin.

The suit, filed in September 2000, alleged that Salomon discriminated against five charging parties employed as computer operators due to their race and nationality African-American, Haitian, Nigerian, and West Indian as well as a class of other similarly-situated employees by subjecting them to repeated and offensive comments that created a hostile work environment. The suit also charged the global financial firm with paying the class of workers disparate wages, denying them salary increases, promotions, and equal opportunities for promotion because of their race and/or countries of origin.

"As the nation becomes increasingly diverse, it is in employers' best interest to provide equal opportunities to all workers, regardless of their race or national origin, in order to attain and retain the best possible talent," said Commission Chairwoman Ida L. Castro. "This case should remind every employer from Wall Street to Main Street that targeting groups of workers for discrimination not only violates the law, it also damages the corporate culture and hurts the bottom line by decreasing productivity and morale."

The settlement was approved late Friday, June 13, as a Consent Decree by the U.S. District Court for the Southern District of New York. In addition to the \$635,000 in monetary payments to the victims, Salomon agreed to take major steps to enhance the promotional opportunities of four charging parties who are still employed as computer operators and to develop specific criteria for the promotion of computer operators in the Data Center. Additionally, the Consent Decree requires that Salomon:

- Continue to maintain a policy prohibiting discrimination in the workplace and a procedure for employees to report complaints of discrimination;
- Post a notice of its policies, practices, and intent not to discriminate against employees;
- Provide all managers and supervisors in the Data Center with equal employment opportunity training; and
- Provide written reports to the EEOC about its training efforts in the Data Center.

"We are pleased that Salomon Smith Barney worked cooperatively with the Commission to settle these claims quickly after the lawsuit was filed," said Katherine Bissell, regional attorney of EEOC's New York District Office, which handled the case. "This settlement is significant not only in terms of monetary benefits and the message it sends to the securities industry, but also in terms of the comprehensive injunctive relief that will ensure future equal employment opportunities at Salomon."

In addition to enforcing Title VII, which prohibits employment discrimination based on race, color, religion, sex, and national origin, EEOC enforces the Age Discrimination in Employment Act; the Equal Pay Act; Titles I of the Americans with Disabilities Act, which prohibits employment discrimination against people with disabilities in the private sector and state and local governments; prohibitions against discrimination affecting individuals with disabilities in the federal government; and sections of the Civil Rights Act of 1991. Further information about the Commission is available on the agency's website at www.eeoc.gov.

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