Chapter 2

Part 1 Introduction

Equal Opportunity and the Law
After studying this chapter, you should be able to:

1. Cite the main features of at least five employment discrimination laws.

2. Define adverse impact and explain how it is proved and what its significance is.

3. Explain and illustrate two defenses you can use in the event of discriminatory practice allegations.

4. Avoid employment discrimination problems.

5. Cite specific discriminatory personnel management practices in recruitment, selection, promotion, transfer, layoffs, and benefits.

6. Define and discuss diversity management.

$\textit{Title VII of the Civil Rights Act (1964)}$

- An employer cannot discriminate on the basis of race, color, religion, sex, or national origin with respect to employment.

- Coverage
  - All public or private employers of 15 or more persons.
  - All private and public educational institutions, the federal government, and state and local governments
  - All public and private employment agencies
  - All labor unions with 15 or more members
Title VII of the 1964 Civil Rights Act

- The Equal Employment Opportunity Commission (EEOC)

  - Consists of five members appointed by the president with the advice and consent of the Senate.
  - Each member serves a five-year term.
  - The EEOC has a staff of thousands to assist it in administering the Civil Rights law in employment settings.
  - EEOC may file discrimination charges and go to court on behalf of aggrieved individuals.
Executive Orders

- **Executive Orders 11246 and 11375**
  - Require affirmative action: steps that are taken for the purpose of eliminating the present effects of past discrimination

- **Office of Federal Contract Compliance Programs (OFCCP)**
  - Responsible for implementing the executive orders related to affirmative action and ensuring the compliance of federal contractors.
Employment Discrimination Laws

- **Equal Pay Act of 1963**
  - The act requiring equal pay for equal work, regardless of sex.

- **Age Discrimination in Employment Act of 1967 (ADEA)**
  - The act prohibiting arbitrary age discrimination and specifically protecting individuals over 40 years old.

- **Vocational Rehabilitation Act of 1973**
  - The act requiring certain federal contractors to take affirmative action for disabled persons.
Employment Discrimination Laws (cont’d)

- **Vietnam Era Veterans’ Readjustment Act of 1974**
  - An act requiring that employees with government contracts take affirmative action to hire disabled veterans.

- **Pregnancy Discrimination Act (PDA) of 1978**
  - A Title VII amendment that prohibits sex discrimination based on “pregnancy, childbirth, or related medical conditions.”
    - If an employer offers its employees disability coverage, then it must treat pregnancy and childbirth like any other disability, and include it in the plan as a covered condition.
Federal Agency Guidelines

*Uniform Guidelines*

- Guidelines issued by federal agencies charged with ensuring compliance with equal employment federal legislation explaining recommended employer procedures in detail.

- The EEOC, Civil Service Commission, Department of Labor, and Department of Justice together have *uniform guidelines* for employers to use.
Title VII: Sexual Harassment

- **Sexual harassment**
  - Harassment on the basis of sex that has the purpose or effect of substantially interfering with a person’s work performance or creating an intimidating, hostile, or offensive work environment.
    - Employers have an affirmative duty to maintain workplaces free of sexual harassment and intimidation.

- **Federal Violence Against Women Act of 1994**
  - A person who commits a violent crime motivated by gender is liable to the party injured.
Sexual Harassment Defined

- Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature that takes place under any of the following conditions:
  - Submission to such conduct is made either explicitly or implicitly a term or condition of an individual’s employment.
  - Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual.
  - Such conduct has the purpose or effect of unreasonably interfering with an individual’s work performance or creating an intimidating, hostile, or offensive work environment.
Proving Sexual Harassment

- **Quid pro quo**
  - Rejecting a supervisor’s advances adversely affects the employee’s tangible benefits, such as raises or promotions.

- **Hostile environment created by supervisors.**
  - Behaviors that substantially affect an employee’s emotional and psychological ability to the point that they affect the employee’s ability to continue with the employee’s job.

- **Hostile environment created by co-workers or non-employees.**
  - Advances by the employee’s co-workers (or even the employer’s customers) can cause harassment.
Sexual Harassment: Court Decisions

- **Meritor Savings Bank, FSB v. Vinson**
- **Burlington Industries v. Ellerth**
- **Faragher v. City of Boca Raton**

  - In a quid pro quo case it is *not* necessary for the employee to have suffered a tangible job action to win the case.

  - The employer (in its defense) must show that it took “reasonable care” to prevent and promptly correct any sexually harassing behavior and that the employee unreasonably failed to take advantage of the employer’s policy.
What Employers Should Do to Minimize Liability in Sexual Harassment Claims

- Take all complaints about harassment seriously.
- Issue a strong policy statement condemning such behavior.
- Inform all employees about the policy and of their rights.
- Develop and implement a complaint procedure.
- Establish a management response system that includes an immediate reaction and investigation by senior management.
- Begin management training sessions with supervisors and managers to increase their awareness of the issues.

What Employers Should Do to Minimize Liability in Sexual Harassment Claims (cont’d)

- Discipline managers and employees involved in harassment.
- Keep records of complaints, investigations, and actions taken.
- Conduct exit interviews that uncover any complaints and that acknowledge by signature the reasons for leaving.
- Re-publish the sexual harassment policy periodically.
- Encourage upward communication through periodic written attitude surveys, hotlines, suggestion boxes, and other feedback procedures.

Completion of this form is not required to formally initiate a complaint; however completing this form will assist the investigatory process. When completed please return this form to the office of the Director of Human Resources, Room 148, Joyal Administration Building. You will be contacted as soon as possible for a confidential interview to discuss the complaint.

1. Today's Date: 

2. Your name: ________________________________

3. Date of Birth: __________________

4. Signature: ______________________________

5. Status: Student: □ Faculty: □ Staff: □ Manager: □

6. Department: ______________________________

7. Contact Information:
   Home Address: ______________________________
   Office Phone: __________________ Home Phone: __________________
   Cell or pager: __________________ Email: __________________

8. Person(s) against whom complaint is being made:
   Status: Student: □ Faculty: □ Staff: □ Manager: □

9. Allegations. Include dates and locations. Use additional sheets as necessary:
   __________________________________________
   __________________________________________
   __________________________________________
   __________________________________________
   __________________________________________
   __________________________________________

10. Has anyone been notified of this incident? If so, who and when: __________________
    __________________________________________
    __________________________________________

11. Are there any other witnesses to the incident(s)? If so, who: __________________
    __________________________________________
    __________________________________________

Revised: 12/5/02

Source: California State University, Fresno.

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Early Court Decisions Regarding Equal Employment Opportunity

- **Griggs v. Duke Power Company**
  - Discrimination by the employer need not be overt; employer’s intent is irrelevant.
  - An employment practice must be job related and valid if it has an unequal impact on members of a protected class.
  - The burden of proof is on the employer to show that the employment practice is job related.
  - Business necessity is the employer’s defense for any practice that has adverse impact.
Early Court Decisions Regarding Equal Employment Opportunity (cont’d)

- **Albemarle Paper Company v. Moody**
  
  - If an employer uses a test to screen candidates, then the job’s specific duties and responsibilities must be carefully analyzed and documented.
  
  - The performance standards for employees on the job in question should be clear and unambiguous.
  
  - EEOC (now federal) guidelines on validation are to be used for validating employment practices.
Equal Employment Opportunity
1991–present

- Civil Rights Act of 1991 (CRA)
  - It places burden of proof back on employers once the plaintiff has made a prima facie case and permits compensatory and punitive damages.

- Disparate impact
  - A practice or policy that has a greater adverse impact on the members of a protected group than on other employees, regardless of intent.

- Disparate treatment
  - Intentional discrimination on the part of the employer.
Equal Employment Opportunity
1991–present

- *Desert Palace Inc. vs. Costa.*
  - Mixed motive: an employer cannot avoid liability by proving it would have taken the same action even without the discriminatory motive.
  - Workers do not have to provide evidence of explicitly discriminatory conduct (such as discriminatory employer statements), but could provide circumstantial evidence (such as lowered performance evaluations).
Americans with Disabilities Act (ADA)

➢ **ADA of 1990**
  - Requires employers to make *reasonable accommodations* for disabled employees; it prohibits discrimination against disabled persons.

➢ **Disability**
  - A physical or mental impairment that substantially limits one or more major life activities.
    * Excludes homosexuality, bisexuality, voyeurism, compulsive gambling, pyromania, and disorders resulting from the current illegal use of drugs.
ADA and Individuals

- **Qualified individuals**
  - Under ADA, those who can carry out the essential functions of the job.

- **Reasonable accommodation**
  - If the individual can’t perform the job as currently structured, the employer must make a “reasonable accommodation” unless doing so would present an “undue hardship.”
Employer Obligations under ADA

- An employer must make a reasonable accommodation for a qualified disabled individual unless doing so would result in undue hardship.
- Employers are not required to lower existing performance standards or stop using tests for a job.
- Employers may ask pre-employment questions about essential job functions but cannot make inquiries about disability.
- Medical exams (or testing) for current employees must be job-related.
- Employers should review job application forms, interview procedures, and job descriptions for illegal questions and statements.
- Employers should have up-to-date job descriptions that identify the current essential functions of the job.
Disabilities and ADA

- Courts will tend to define “disabilities” quite narrowly.
- Employers are not required to tolerate misconduct or erratic performance even if the behaviors can be attributed to the disability.
- Employers do not have create a new job for the disabled worker nor reassign that person to a light-duty position for an indefinite period, unless such a position exists.
- Employers should not treat employees as if they are disabled so that they will not “regarded as” disabled and protected under the ADA.
State and Local Equal Employment Opportunity Laws

- The effect of the state and local laws is usually to further restrict employers’ treatment of job applicants and employees.
  - State and local laws cannot conflict with federal law but can extend coverage to additional protected groups.
  - The EEOC can defer a discrimination charge to state and local agencies that have comparable jurisdiction.
## Important Equal Employment Opportunity Actions

<table>
<thead>
<tr>
<th>Action</th>
<th>What it Does</th>
</tr>
</thead>
<tbody>
<tr>
<td>Title VII of 1964 Civil Rights Act, as amended</td>
<td>Bars discrimination because of race, color, religion, sex, or national origin; instituted EEOC.</td>
</tr>
<tr>
<td>Executive orders</td>
<td>Prohibit employment discrimination by employers with federal contracts of more than $10,000 (and their subcontractors); establish office of federal compliance; require affirmative action programs.</td>
</tr>
<tr>
<td>Federal agency guidelines</td>
<td>Indicate policy covering discrimination based on sex, national origin, and religion, as well as employee selection procedures; for example, require validation of tests.</td>
</tr>
<tr>
<td>Supreme Court decisions:</td>
<td>Rule that job requirements must be related to job success; that discrimination need not be overt to be proved; that the burden of proof is on the employer to prove the qualification is valid.</td>
</tr>
<tr>
<td>Equal Pay Act of 1963</td>
<td>Requires equal pay for men and women for performing similar work.</td>
</tr>
<tr>
<td>Age Discrimination in Employment Act of 1967</td>
<td>Prohibits discriminating against a person 40 or over in any area of employment because of age.</td>
</tr>
<tr>
<td>State and local laws</td>
<td>Often cover organizations too small to be covered by federal laws.</td>
</tr>
</tbody>
</table>

*Note: The actual laws (and others) can be accessed at: [http://www.legal.gsa.gov/legal(#1)fcd.htm](http://www.legal.gsa.gov/legal(#1)fcd.htm).*
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<td>Vocational Rehabilitation Act of 1973</td>
<td>Requires affirmative action to employ and promote qualified handicapped persons and prohibits discrimination against handicapped persons.</td>
</tr>
<tr>
<td>Pregnancy Discrimination Act of 1978</td>
<td>Prohibits discrimination in employment against pregnant women, or related conditions.</td>
</tr>
<tr>
<td>Ward Cove v. Atonio</td>
<td>Made it more difficult to prove a case of unlawful discrimination against an employer.</td>
</tr>
<tr>
<td>Price Waterhouse v. Hopkins</td>
<td>Unlawful actions may not be discriminatory if lawful actions would have resulted in the same personnel decision.</td>
</tr>
<tr>
<td>Americans with Disabilities Act of 1990</td>
<td>Strengthens the need for most employers to make reasonable accommodations for disabled employees at work; prohibits discrimination.</td>
</tr>
<tr>
<td>Civil Rights Act of 1991</td>
<td>Reverses Ward Cove, Price Waterhouse, and other decisions; places burden of proof back on employer and permits compensatory and punitive money damages for discrimination.</td>
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Sources of Discrimination Allegations

- **Disparate treatment**
  - Intentional discrimination where an employer treats an individual differently because that individual is a member of a particular race, religion, gender, or ethnic group.

- **Disparate impact**
  - An apparently neutral employment practice that creates an adverse impact—a significant disparity—between the proportion of minorities in the available labor pool and the proportion hired.
Adverse Impact

Adverse impact

- The overall impact of employer practices that result in significantly higher percentages of members of minorities and other protected groups being rejected for employment, placement, or promotion.

- Used to help establish a *prima facie* case of discrimination.
Showing Adverse Impact

- **Disparate rejection rates**
  - A test that demonstrates that there is a discrepancy between rates of rejection of members of a protected group and of others.

- **Four-fifths rule of thumb**
  - If the protected group’s hiring rate is less than eighty percent (80%) of the majority group, then a *prima facie* case for discrimination is indicated.
Showing Adverse Impact (cont’d)

- **Restricted policy**
  - An employer’s hiring practices exclude a protected group—whether intentionally or not.

- **Population comparisons**
  - A comparison of the percentage of a minority/protected group and white workers in the organization with the percentage of corresponding groups in the relevant labor market.
Showing Adverse Impact (cont’d)

- **McDonnell-Douglas test**
  - A test for disparate (intentional) treatment situations in which the applicant was qualified but the employer rejected the person and continued seeking applicants.

- **Conditions for applying McDonnell-Douglas**
  - The person belongs to a protected class.
  - The person applied and was qualified for the job.
  - The person was rejected despite qualification.
  - After rejection, the position remained open and the employer continued seeking applications from persons with the complainant’s qualifications.
Bona Fide Occupational Qualification

*Bona fide occupational qualification (BFOQ)*

- Requirement that an employee be of a certain religion, sex, or national origin where that is reasonably necessary to the organization’s normal operation. Specified by the 1964 Civil Rights Act.

  - Age
  - Religion
  - Gender
  - National Origin
Business Necessity

“Business necessity”
- A defense created by the courts that requires employers show that there is an overriding business purpose (i.e., “irresistible demand”) for a discriminatory practice.
  - Spurlock v. United Airlines

Validity
- The degree to which the test or other employment practice is related to or predicts performance on the job.
Other Considerations in Discriminatory Practice Defenses

- **Good intentions are no excuse.**

- **Employers cannot hide behind collective bargaining agreements**—equal opportunity laws override union contract agreements.

- **If a personnel practice is discriminatory, firms should react by agreeing to eliminate the illegal practice and (when required) by compensating the people discriminated against.**
Discriminatory Employment Practices

- Recruitment
  - Word of Mouth
  - Misleading Information
  - Help Wanted Ads
- Personal Appearance
  - Dress
  - Hair
  - Uniforms

- Selection
  - Educational Requirements
  - Preference to Relatives
  - Height, Weight, and Physical Characteristics
  - Arrest Records
  - Application Forms
  - Discharge Due to Garnishment
Questions to Ask When an Employer Receives Notice That EEOC has Filed a Bias Claim

1. **Exactly what is the charge and is your company covered by the relevant statutes?**

2. **What protected group does the employee belong to? Is the EEOC claiming disparate impact or disparate treatment?**

3. **Are there any obvious bases upon which you can challenge and/or rebut the claim?**

4. **If it is a sexual harassment claim, are there offensive comments, calendars, posters, screensavers, and so on, on display in the company?**

5. **Who are the supervisors who actually took the allegedly discriminatory actions and how effective will they be as potential witnesses?**

The EEOC Charge-Filing Process

Source: Based on information in www.eeoc.gov/index.html.
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Figure 2-4
The EEOC Enforcement Process

Processing a charge

- A claim must be filed in writing within two years after the alleged incident took place.
- After a charge is filed, the EEOC has 10 days to serve notice on the employer.
- The EEOC has 120 days to investigate and to make a reasonable cause determination and attempt conciliation or dismiss the charge and issue a Notice of Right to Sue to the filing party who then has 90 days to file suit on their own.
- If conciliation fails, the EEOC can bring a civil suit in a federal district court.
The EEOC Enforcement Process (cont’d)

- **Conciliation proceedings**
  - The EEOC has 30 days to work out a conciliation agreement between the parties before bringing suit.
  - The EEOC conciliator meets with the employee to determine what remedy would be satisfactory and then tries to persuade the employer to accept it.
  - If both parties accept the remedy, they sign and submit a conciliation agreement to the EEOC for approval.
How to Respond to Employment Discrimination Charges

- **The EEOC investigation**
  - Provide a position statement in your defense that demonstrates a lack of merit of the charge
  - Furnish only information requested by the EEOC.
  - Obtain as much information as possible about the charging party’s claim.
How to Respond to Employment Discrimination Charges (cont’d)

- The fact-finding conference

  - EEOC notes are the only official record of the conference.
  - EEOC discourages the employer’s lawyers from attending the conference.
  - Conferences occur soon after the charge is filed.
  - Witnesses’ statements can be used as admissions against the employer’s interests.
How to Respond to Employment Discrimination Charges (cont’d)

- **EEOC determination and attempted conciliation**
  - The investigator’s recommendation is often the determining factor in finding cause, so be courteous and cooperative (within limits).
  - If there is a finding of cause, review the finding very carefully; point out inaccuracies.
  - Do not accept conciliation, wait for the lawsuit.
  - In a no-cause finding, the charging party gets a Notice of Right to Sue letter, and has 90 days to bring a lawsuit.
Mandatory Arbitration of Discrimination Claims

- **Gilmer v. Interstate/Johnson Lane Corp.**
  - An agreement, entered into for mandatory arbitration of all employment-related disputes, can require the employee to arbitrate claims arising under the Age Discrimination in Employment Act.

- **Recommendations**
  - Employers should consider asking that the party be compelled to arbitrate the claim.
  - Employers should consider inserting a mandatory arbitration clause in their employment applications or employee handbooks.
  - Employers can forestall an appeal and protect against arbitrator bias by allowing the arbitrator to afford a claimant broad relief and allow for reasonable fact finding.
Diversity Management

Managing diversity

- Provide strong leadership.
- Assess the situation.
- Provide diversity training and education.
- Change culture and management systems.
- Evaluate the diversity management program.

Boosting workforce diversity

- Adopt strong company policies advocating the benefits of a culturally, racially, and sexually diverse workforce.
- Take concrete steps to foster diversity at work.
Is the Diversity Initiative Effective?

- Are there women and minorities reporting directly to senior managers?
- Do women and minorities have a fair share of job assignments that are steppingstones to successful careers in the company?
- Do women and minorities have equal access to international assignments?
- Are female and minority candidates in the company’s career development pipeline?
- Are turnover rates for female and minority managers the same or lower than those for white male managers?
Equal Employment Opportunity Versus Affirmative Action

- **Equal employment opportunity**
  - Aims to ensure that anyone, regardless of race, color, disability, sex, religion, national origin, or age, has an equal chance for a job based on his or her qualifications.

- **Affirmative action**
  - Requires the employer to make an extra effort to hire and promote those in a protected group that results in measurable, yearly improvements in hiring, training, and promotion of minorities and females in all parts of the organization.
## Differences Between Managing Diversity and Meeting Affirmative Action Requirements

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<th>Practicing Diversity to Meet EEO/ Affirmative Action Requirements</th>
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</thead>
<tbody>
<tr>
<td>Is voluntary</td>
<td>Is often mandatory</td>
</tr>
<tr>
<td>Focuses on productivity</td>
<td>Focuses on legal, social, moral justifications</td>
</tr>
<tr>
<td>Includes all elements of diversity</td>
<td>Includes only race, gender, and ethnicity</td>
</tr>
<tr>
<td>Emphasizes changing systems and operations</td>
<td>Emphasizes changing the mix of people</td>
</tr>
<tr>
<td>Offers a perception of equity</td>
<td>Offers a perception of preference</td>
</tr>
<tr>
<td>Is long term and ongoing</td>
<td>Is short term and limited</td>
</tr>
<tr>
<td>Is grounded in individuality</td>
<td>Is grounded in assimilation</td>
</tr>
</tbody>
</table>

*Source: National Institutes of Health.*
Steps in an Affirmative Action Program

1. Issues a written equal employment policy.
2. Appoints a top official to direct and implement the program.
3. Publicizes the equal employment policy and affirmative action commitment.
4. Surveys minority and female employment to determine where affirmative action programs are especially desirable.
5. Develops goals and timetables to improve utilization of minorities, males, and females.
6. Develops and implements specific programs to achieve these goals.
7. Establishes an audit and reporting system to monitor and evaluate progress of the program.
8. Develops support for the affirmative action program, both inside the company and in the community.
Designing an Affirmative Action Program

- **Good faith effort strategy**
  - Aimed at changing practices that contributed to excluding or underutilizing protected groups.
  - Increasing the minority or female applicant flow.
  - Demonstrating top-management support for the equal employment policy.
  - Demonstrating equal employment commitment to the local community.
  - Keeping employees informed about the specifics of the affirmative action program.
  - Broadening the work skills of incumbent employees.
  - Institutionalizing the equal employment policy to encourage supervisors’ support of it.
Reverse Discrimination

Reverse discrimination

- A claim that due to affirmative action quota systems, white males are discriminated against.
  - Supreme Court’s June 2003 affirmative action decision outlawed the University of Michigan’s quota-based admissions program.

Reverse discrimination cases

- *Bakke v. Regents of the University of California (1978)*: Race can be a factor, but not be the deciding factor (no quotas).
Reverse Discrimination (cont’d)


Recruiting Minorities Online

*Diversity candidate Web sites with job banks*

- African American Network
- National Action Council of Minorities in Engineering
- National Urban League
- Hispanic Online
- Latino Web
- Society of Hispanic Engineers
- Gay.com
- Association for Women in Science
- Minorities Job Bank.
Key Terms

Title VII of the 1964 Civil Rights Act
Equal Employment Opportunity Commission (EEOC)
affirmative action
Office of Federal Contract Compliance Programs (OFCCP)
Equal Pay Act of 1963
Age Discrimination in Employment Act of 1967 (ADEA)
Vocational Rehabilitation Act of 1973
Vietnam Era Veterans’ Readjustment Act of 1974
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protected class
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mixed motive
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qualified individuals
adverse impact
disparate rejection rates
restricted policy
bona fide occupational qualification (BFOQ)
alternative dispute resolution or ADR program
good faith effort strategy
reverse discrimination