

Three Ways to Prevent a Weinstein Scandal

Earlier this month, producer Harvey Weinstein, arguably one of the most powerful men in Hollywood, made headlines again. But this time he is not receiving accolades from a well-produced television show or movie. Instead, over 50 fifty women to date have come forth alleging sexual harassment dating back decades. The story has sent shock waves through the film industry, with many speculating that numerous lawsuits could lead to the sale or bankruptcy of The Weinstein Company.

In one fell swoop, the company went from a thriving film studio to trying to figure out how to survive. It is a story that will keep entrepreneurs, business owners, and human resources employees up at night wondering if this could happen to their business. And with good reason. Employers can be held responsible if harassment occurs in the workplace, even if they are not made aware of it. Protecting your business from such a scandal can be done if you put in the effort to foster a solid culture.

1. Work to eliminate gender inequality

As you evaluate what your business looks like and how it operates, ask whether the hiring practices encourage or discourage a gender parity. Critically evaluate the diversity in the organization's structure and assess whether or not there is a gap between sexes and races at the top. In Hollywood, for example, there's a significant gap at the top. In 2016, only seven percent of the top 250 grossing films were directed by women. It's easy to see how power in the hands of a few could create a scandal, especially in the film industry.

If your business has a clear imbalance, which most do, consider career path programs that can be implemented for promoted upward movement within the existing employees, and adjusting recruitment strategies to attract a diverse pool of qualified applicants. Workforce diversity not only moves toward closing the gap in employment between men and women, but it is also a main driver of internal innovation and business growth. And of course, it can help you stay out of Court.

2. Implement and follow sound policies and procedures

Make sure you have equal opportunity and anti-discrimination policies clearly posted in the workplace, as well as clear and concise written procedures outlined in your employee handbook that specify a commitment to, and mechanism for preventing harassment and handling complaints. Procedures could include an open-door policy, where employees are free to communicate with any manager or human resources personnel regardless of the chain of command. This helps identify potential issues early, and provide opportunities to address them in their infancy. Hopefully, this helps your business to avoid a costly lawsuit.

3. Training, Education, and Culture

Of course, it is not enough to ask employees to simply "sign off," acknowledging that they received such policies and expect the culture to change. Training and education, early and often, for all employees, including top-level executives and managers, on policies and procedures helps prevent scandals like the one faced by The Weinstein Company. As they say, an ounce of

prevention is worth a pound of cure. Especially when the “cure” could be bankruptcy. Consider implementing annual refresher training that includes real-world scenarios, such as the latest celebrity lawsuit to foster engagement and drive home the point. Not only is training a good business practice, but it helps create a culture where harassment is not tolerated and where employees feel comfortable to speak up without fear of retaliation.

The bottom line? Harassment is not only illegal, but it violates trust between an employee and employer. When that trust is broken, not only does the business have unnecessary liability and face financial consequences, but the culture negatively shifts as well, working against the profitability and longevity of the company. If you are made aware or become aware of harassment, you must take immediate and appropriate corrective action to stop it. Developing and disseminating clear policies, keeping them updated, and consistently enforcing them can help prevent litigation and limit your liability should a complaint arise.

About the Author



Sarah O'Keefe's practices in employment law, including litigation. You can read more about Sarah on our [website](#)