



Sexual Harassment: A Costly Problem for Multifamily

A comprehensive guide for protecting yourself and your business.



Every year, thousands of people face unwelcome comments and requests for sexual favors from coworkers, landlords, property managers, maintenance workers, and security guards. But following the #MeToo movement, federal and state governments began cracking down on sexual harassment in housing and employment — which has meant increased risk for multifamily companies.

Multifamily companies must remain vigilant to properly train employees and promptly address issues as they arise. To reduce the risk of sexual harassment, they must:

- **Implement and communicate a comprehensive sexual harassment policy.**
- **Ensure all employees, including leadership, understand what sexual harassment is and how to both avoid and respond to it.**
- **Keep policies and training up to date with changing laws.**

This ebook will help you assess your organization’s policy and training program and help clarify common misconceptions about sexual harassment. In conjunction with sound legal advice, we recommend using this information as a foundation to strengthen your sexual harassment prevention program.

Understanding Sexual Harassment

The Department of Housing and Urban Development (HUD) and the Department of Justice (DOJ) recognize two types of sexual harassment:

- Quid pro quo sexual harassment
- Hostile environment sexual harassment

Quid pro quo sexual harassment

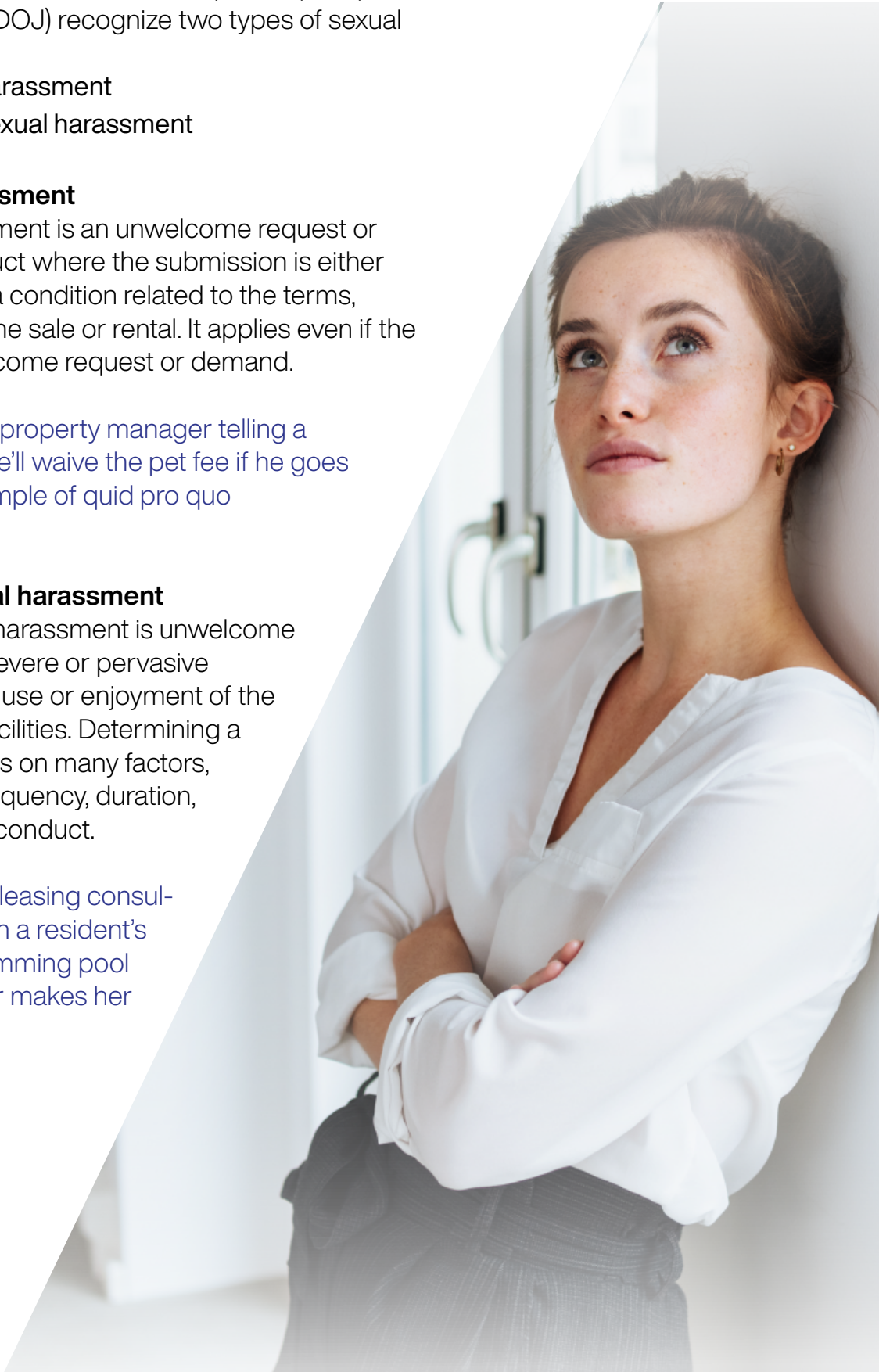
Quid pro quo sexual harassment is an unwelcome request or demand to engage in conduct where the submission is either explicitly or implicitly made a condition related to the terms, conditions, or privileges of the sale or rental. It applies even if the person agrees to the unwelcome request or demand.

What that might look like: A property manager telling a prospective resident that she'll waive the pet fee if he goes on a date with her is an example of quid pro quo sexual harassment.

Hostile environment sexual harassment

Hostile environment sexual harassment is unwelcome conduct that is sufficiently severe or pervasive enough to interfere with the use or enjoyment of the apartment home or other facilities. Determining a hostile environment depends on many factors, including nature, severity, frequency, duration, context, and location of the conduct.

What that might look like: A leasing consultant frequently comments on a resident's body while she is at the swimming pool to the point that his behavior makes her stop visiting the pool.



Sexual Harassment Training and Policies Are Essential

The best way to prevent sexual harassment is through policy and training. We recommend you evaluate your current sexual harassment prevention program to ensure you aren't missing any of these six key components:

1. Maintain a written sexual harassment policy.

A written policy shows that a company is committed to stopping sexual harassment, and it's the best way to identify and communicate the company's strategies for decreasing risk. If an employee fails to follow the procedures in a written policy, this gives the company an additional legal defense in some harassment claims.

2. Encourage employees to report sexual harassment.

Encouraging employees to report sexual harassment demonstrates the seriousness with which a company takes sexual harassment, and it allows the company an opportunity to handle claims of sexual harassment as quickly as possible.

According to the Equal
Employment Opportunity
Commission (EEOC),
sexual harassment costs
U.S. businesses

\$33,454

per victim in lost productivity.



5. Train all employees on sexual harassment at least once per year.

Sexual harassment is equally dangerous whether it happens with members of the public (residents) or internally among employees. For this reason, everyone in your organization should be trained to prevent sexual harassment, not just supervisors or personnel who work directly with residents.

6. Train supervisors even more frequently.

Supervisors should be trained more frequently than other employees (ideally more than once per year). In addition to refraining from sexual harassment themselves, supervisors are responsible for ensuring their employees follow your sexual harassment policies. Supervisors are also responsible for ensuring that any harassment that does occur gets reported immediately and stopped.

It is also essential that your sexual harassment and discrimination prevention program includes gender identity, gender expression, and sexual orientation.

A study by the National Sexual Violence Resource Center found that the average cost of a sexual harassment lawsuit is

\$600,000





3. Offer multiple channels for reporting.

Offering multiple channels for reporting is part of ensuring sexual harassment gets reported. Employees may feel uncomfortable reporting to one particular authority, especially if that authority is the harasser. For that reason, employees should always have an alternative.

4. Specifically prohibit retaliation.

Retaliation involves punitive action by a company (or an individual at the organization) against someone who has reported harassment or discrimination. It could include firing, demotion, general mistreatment, or harassment. Just like sexual harassment, retaliation is illegal. A company that engages in retaliation, or employs someone who does, is at extreme risk of legal action.

A study by the Society for Human Resource Management found that

60%

of companies have had to pay settlements or judgments due to sexual harassment claims.

Ensure Your Organization Complies With Federal and State Requirements

The increased spotlight on sexual harassment has not faded. HUD is serious about investigating complaints of sexual harassment, and owners and operators of rental housing communities are paying the price. Fortunately, the same comprehensive policy, training, and response strategy that helps minimize damages also fosters a safe and respectful environment for your employees and residents.

Grace Hill's sexual harassment courses are continually updated and leverage guidance from the EEOC and local legislation on effective ways to prevent and address sexual harassment in the workplace.

Did You Know?

Our sexual harassment courses are the first in the multifamily industry to meet state training requirements for California, Connecticut, Delaware, Maine, and New York, including local requirements for New York City.



Protecting Your People Reduces Your Risk

The job of protecting your people and business is never fully complete. As regulations change, you must update your policies and training to maintain a culture of inclusion and respect. Grace Hill monitors these changes regularly to ensure our clients have the most current and accurate resources available — we do this, so you don't have to!

For over 25 years, Grace Hill's dynamic policy, training, and assessment solutions have helped businesses in the multifamily industry. Our solutions help increase resident and tenant renewals, reduce operating risk, and improve net operating income with personalized support, training resources, and dedicated account managers to support you each step of the way.

We are passionate about the industry and have the real-world experience to help you reach your property performance goals.

Ready to build a training and policy framework that sets a high standard for workplace respect and inclusion?

Talk to a Grace Hill expert today for the best resources to mitigate risk related to sexual harassment compliance.

