

Benchmarking EEO Compliance Practices

Survey Participant Report

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**Personnel
Policy Service, Inc.**

P U B L I S H E R S

TrainRight
S O L U T I O N S

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Executive Summary

The Benchmarking EEO Compliance Practices survey was conceived by TrainRight Solutions, a leading provider of web-based compliance training, to assess the current state of prevention practices in the U.S. As a corporate partner to the professional HR community, we keep hearing HR professionals voicing concerns that other members of management do not fully support compliance training. After searching for industry benchmarking information, and not finding it, we partnered with Personnel Policy Service, Inc., to gather the information and provide useful data to HR professionals and other members of management.

The results come from 957 responses to a poll of 22,161 readers and subscribers to *HR Matters E-Tips* newsletter published by Personnel Policy Service, Inc., a leading provider of HR policy and compliance information. The respondents represent employers in all 50 states, with the following employment size ranges: 1-100 (50%), 101-500 (30%), 501-1,000 (7%), 1,001-5,000 (9%), and over 5,000 (5%).

Despite almost a generation of regulation and litigation, 41% of U.S. employers still do not provide preventive training for sexual harassment or discrimination, according to the survey results.

Another interesting survey finding is that 40.6% of the respondents report one or more employee complaints of sexual harassment annually. This result begs the question of why harassment and discrimination training is not more universal, given the level of employer legal exposure and the level of complaints filed annually with the Equal Employment Opportunity Commission (EEOC).

One reason may be employer priorities and cost. Of the respondents that do provide sexual harassment and discrimination prevention, 79% reported annual training budgets of \$5,000 or less for EEOC compliance. For many employers, the high cost of traditional instructor-led classroom training can be prohibitive. Of the employers that reported conducting EEO compliance training, nearly two thirds (66%) deliver traditional instructor-led classroom training while only 15% utilize the newer, more cost efficient web-based training programs. Not surprisingly, the largest employers have by far the highest utilization of web-based training.

Clearly, one measure of the need for harassment and discrimination training comes from the annual EEOC activity report. In 2005, the EEOC received over 75,000 complaints of employment discrimination (race, sex, including harassment, national origin, religion, age, and disability). It recovered more than \$270 million in back wages for the complaining employees through settlements, mediation, and other administrative resolutions. In addition, the EEOC litigated 383 cases in court and collected over \$107 million to resolve them, an average of \$279,000 per case litigated (before legal expenses).

Survey Data

The results of the survey are displayed below. Completed survey count was 957 although some questions total less as they may have been skipped by some participants. The following pages include the compiled results from each question.

Introduction: The intention of this survey is to collect EEO compliance practices information, identify industry trends, and make the results available to all participants for benchmarking and comparison

1. You may take this survey anonymously, however we would encourage you to at least complete the location information (city, state, & zip) for comparison purposes.

Geography Comparison of 838 surveys that provided state demographic information

Northeast	146	(17%)
Southeast	195	(23%)
Midwest	192	(23%)
Southwest	150	(18%)
West	155	(19%)
Total	838	(100%)

2. What is your position or title?

Director/Manager of Human Resources	416	(44%)
Human Resources Executive	75	(8%)
Chief Learning Officer	4	(0%)
Chief Financial Officer	15	(2%)
Legal Counsel	17	(2%)
President/CEO	60	(6%)
Other	361	(38%)
Total	949	(100%)

3. How many employees are in your organization?

1 to 100	470	(50%)
101 to 500	285	(30%)
501 to 1,000	69	(7%)
1,001 to 5,000	82	(9%)
Over 5,000	43	(5%)
Total	949	(100%)

4. Your organization is part of which industry?

Healthcare	130	(14%)
Technology	40	(4%)
Financial Services (Banks, Insurance, Real Estate)	86	(9%)
Retail	34	(4%)
Government/Education/Public Administration	128	(14%)
Transportation	17	(2%)
Utilities	14	(1%)
Agriculture	9	(1%)
Construction	39	(4%)
Wholesale/Warehouse/Distribution	31	(3%)
Manufacturing	123	(13%)
Other	295	(31%)
Total	946	(100%)

5. Does your organization have Employment Practices Liability Insurance coverage for corporate protection against employee claims?

Yes	570	(61%)
No	361	(39%)
Total	931	(100%)

6. Which compliance policies does your organization have in place? (please select all that apply)

Sexual Harassment	901	(97%)
Discrimination	886	(95%)
Ethics	666	(72%)
Privacy & Security	735	(79%)
Standards of Conduct & Behavior	817	(88%)
ADA	720	(77%)

7. Are the Sexual Harassment and/or Discrimination policies part of the employee handbook or separate written document(s)?

Employee handbook	409	(43%)
Separate document(s)	91	(10%)
Both	390	(41%)
Not written policies	56	(6%)
Total	946	(100%)

8. How do you document the employee acknowledgement and acceptance of the organizations Sexual Harassment and/or Discrimination policies?

Employee signature on acknowledgement page of handbook	442	(47%)
Employee signature on harassment policy document	88	(9%)
Both, we record multiple employee signatures	232	(24%)
We do not record any documentation from employees	113	(12%)
Other	73	(8%)
Total	948	(100%)

9. Does your organization conduct compliance training for Sexual Harassment and/or Discrimination prevention?

Yes	558	(58%)
No	399	(42%)
Total	957	(100%)

(NOTE: Questions 10 through 16 were answered only by respondents who replied yes to question 9 indicating they conduct compliance training.)

10. What type of training methods are used? (Please select all that apply)

Instructor-led Classroom (In-house Trainer)	365	(66%)
Instructor-led Classroom (Consultant)	115	(21%)
Instructor-led Classroom (Attorney)	86	(16%)
Instructional Video	180	(32%)
Computer-based CD	54	(10%)
Web-based Program	83	(15%)
Other	29	(5%)

11. How often does your organization conduct Sexual Harassment and/or Discrimination prevention training? (Please select all that apply)

Annually	314	(57%)
Every other year	104	(19%)
At new hire orientation	257	(46%)
When policy changes	124	(22%)
We do not currently provide prevention training	4	(1%)
Other	52	(9%)

12. How do you document employee participation in and completion of compliance training programs? (Please select all that apply)

Attendance sheet	404	(73%)
Signed document by employee	266	(48%)
Electronic tracking system	124	(22%)
Other	18	(3%)

13. On a scale of 1 to 5 how satisfied are you with the Sexual Harassment prevention training within your organization?

Not Satisfied	3	(1%)
Needs Work	53	(10%)
Middle of the Road	139	(25%)
Minor Tweaks Possible	214	(39%)
Very Satisfied	145	(26%)
Total	554	(100%)

14. On a scale of 1 to 5 how satisfied are you with the Discrimination prevention training within your organization?

Not Satisfied	14	(3%)
Needs Work	70	(13%)
Middle of the Road	150	(27%)
Minor Tweaks Possible	190	(34%)
Very Satisfied	128	(23%)
Total	552	(100%)

15. What is your annual budget for compliance training? (including related travel expenses)

\$ 1 to \$1,000	157	(29%)
\$1,001 to \$5,000	160	(30%)
\$5,001 to \$10,000	53	(10%)
\$10,001 to \$25,000	25	(5%)
\$25,000+	36	(7%)
None	108	(20%)
Total	539	(100%)

16. Who is involved in purchasing approval for compliance training? (Please select all that apply)

President/CEO	200	(36%)
Chief Financial Officer	99	(18%)
Chief Learning Officer	14	(3%)
Human Resources Executive	337	(61%)
Training & Development Director/Manager	109	(20%)
Legal Counsel/Risk Management Officer	71	(13%)
Other	92	(17%)

17. On average how many employee complaints of Sexual Harassment occur annually in your organization?

1	149	(16%)
2-4	152	(16%)
5-20	57	(6%)
21-100	17	(2%)
100+	3	(0%)
None	561	(60%)
Total	939	(100%)

18. On average how many employee complaints of Discrimination occur annually in your organization?

1	151	(16%)
2-4	121	(13%)
5-20	61	(7%)
21-100	28	(3%)
100+	9	(1%)
None	568	(61%)
Total	938	(100%)

19. How does your organization most commonly resolve employee complaints of Sexual Harassment or Discrimination? (Please select all that apply)

Internal Corrective Action	765	(84%)
Negotiated Settlement	74	(8%)
Arbitration	64	(7%)
Litigation	53	(6%)
Other	133	(15%)

20. Has your company made a monetary settlement as a result of an employee claim of Sexual Harassment or Discrimination?

Yes	173	(19%)
No	750	(81%)
Total	923	(100%)

21. How much on average has your company (or EPL insurance coverage) paid to resolve a Sexual Harassment or Discrimination claim?

Up to \$50,000	106	(14%)
\$50,001 to \$100,000	26	(3%)
\$100,001 to \$250,000	10	(1%)
Over \$250,000	10	(1%)
Does not apply	623	(80%)
Total	775	(100%)

22. What is the trend in recent years regarding Sexual Harassment and Discrimination complaints within your organization? (Please select all that apply)

Sexual Harassment Complaints Increasing	67	(7%)
Discrimination Complaints Increasing	92	(10%)
Sexual Harassment Complaints Decreasing	137	(15%)
Discrimination Complaints Decreasing	106	(11%)
Sexual Harassment Complaints About the Same	209	(22%)
Discrimination Complaints About the Same	205	(22%)
No Complaints	481	(51%)

23. What is the trend in recent years regarding monetary settlements for Sexual Harassment and/or Discrimination complaints within your organization? (Please select all that apply)

Settlements for Sexual Harassment are Increasing	23	(2%)
Settlements for Discrimination are Increasing	32	(3%)
Settlements for Sexual Harassment are Decreasing	46	(5%)
Settlements for Discrimination are Decreasing	41	(4%)
Settlements for Sexual Harassment are about the same	56	(6%)
Settlements for Discrimination are about the same	70	(8%)
No Settlements	772	(83%)

24. How often is the Sexual Harassment and/or Discrimination policy reviewed for changes or updates within your organization? (Please select all that apply)

Once per year	400	(42%)
Twice per year	32	(3%)
Every other year	69	(7%)
Whenever significant changes in laws occur	468	(50%)
Never	83	(9%)
Other	31	(3%)

25. How does your organization stay up-to-date on legal and compliance changes like the new California Law AB1 825? (Please select all that apply)

SHRM	445	(48%)
Newsletters/Industry Publications	656	(70%)
Employment Attorneys	317	(34%)
In-house Legal Counsel	215	(23%)
Notification Services	332	(36%)
Other	88	(9%)

For more information regarding the “EEO Compliance Practices Benchmarking” survey and further analysis of the results, please contact David Watson, TrainRight Solutions 1-866-489-8868 or email EEOSurvey@trainrightsolutions.com.

About TrainRight Solutions:

TrainRight Solutions provides Protocol 2.0 a suite of web-based compliance training solutions. Protocol 2.0 provides employers with a comprehensive online compliance center to train employees, track their progress, document completion of each course, and provide them with the necessary policies and procedures required by EEOC guidelines. For more information, visit www.trainrightsolutions.com, or call 1-866-489-8868.

About Personnel Policy Service, Inc.:

For over 33 years, Personnel Policy Service has provided expert policy and compliance information for human resource professionals, business owners, lawyers, and consultants. With over 65,000 subscribers nationwide, the company provides specialized HR information to a broad cross-section of employers located throughout the country. For more information, visit www.ppspublishers.com/results , or call 1-800-437-3735.