



Employment Case Studies: 2024 EEOC Violations

Provided by Employco USA, Inc.



Introduction

The U.S. Equal Employment Opportunity Commission (EEOC) is responsible for enforcing federal equal employment opportunity (EEO) laws that protect job applicants and employees from discrimination because of an individual's race, color, religion, sex, national origin, age (40 or older), disability or genetic information. The EEOC frequently enforces these laws through lawsuits and other legal action.

Most employers with at least 15 employees are covered by EEO laws (20 employees in age discrimination cases). Most labor unions and employment agencies are also covered. Employers who do not comply with EEO laws can find themselves in complicated legal situations or on the hook for significant monetary penalties. Therefore, it is critical for employers to understand how their workplace actions may apply to EEO laws.

This case study report provides real-world examples of employers found to be in violation of EEO laws. It includes snapshots of violations and guidance for how those employers could have prevented them. By examining these case studies, employers can learn from the mistakes of others in similar industries and avoid EEOC violations.

Real-world Case Studies



Chicago, IL—A delivery company will pay \$8.7 million in compensation to 83 workers and be subject to the oversight of a court-appointed monitor to settle a race discrimination [lawsuit](#) filed by the EEOC.

What Went Wrong:

- The delivery company assigned Black employees to routes in neighborhoods with higher crime rates compared to those assigned to white drivers, gave Black employees heavier dock work, made Black employees move heavy packages while white workers sorted letters, and segregated its Black and white employees.
- The employer's actions violated Title VII of the Civil Rights Act of 1964 (Title VII), which prohibits employers from discriminating on the basis of race in the terms and conditions of employment and engaging in racial segregation.



Cleveland, OH—A group of trucking companies will pay \$460,000 and provide other equitable relief to settle a sexual orientation and retaliation [lawsuit](#) filed by the EEOC.

What Went Wrong:

- Workers and supervisors harassed two mechanics because they were gay. The harassment included the use of slurs and other derogatory comments, physical violence and other inappropriate contact, defacement of uniforms and other hostile behavior.
- After reporting the harassment, HR and management officials took no action to stop it; instead, the mechanics suffered additional harassment and retaliation, including being fired or forced to quit.
- These actions violated Title VII, which prohibits employers from discriminating against or harassing employees on the basis of sex, including sexual orientation and gender identity. Title VII also prohibits employers from retaliating against employees for opposing discrimination.



Baltimore, MD—A hospitality company will pay \$150,000 and provide other equitable relief to settle a pregnancy discrimination and retaliation [lawsuit](#) filed by the EEOC.

What Went Wrong:

- The hospitality company failed to provide accommodations to an employee for a pregnancy-related disability.
- The company fired the employee days after she disclosed having suffered a miscarriage.
- This conduct violated the Americans with Disabilities Act (ADA) and Title VII, which prohibit disability discrimination, pregnancy discrimination and retaliation.



Avoiding Violations

As illustrated by the case studies in this report, it can be difficult to comply with the varied and complex requirements of EEO laws. Therefore, it is important that employers understand their obligations under these laws and how they can prevent similar violations. Below is general guidance on the issues addressed in these case studies, categorized by violation type.



Race Discrimination

In the Chicago, Illinois, case study, the delivery company incurred significant penalties, equal to almost \$9 million, for discriminating against its employees on the basis of race. Title VII prohibits employers from using race as a factor in any aspect of employment, including hiring, firing, pay, job assignments, promotions, layoffs, training, fringe benefits or any other term or condition of employment. In addition to policies or practices that overtly discriminate against employees on the basis of race, policies that are neutral on their face but that have a disparate impact on members of a certain race may still constitute illegal discrimination.

Race discrimination is a frequently alleged basis of discrimination in charges filed with the EEOC. In fiscal year 2023, race discrimination claims were alleged in nearly [34% of all charges](#) filed with the EEOC.

Employers may implement measures to prevent race discrimination, including training employees, managers and HR on EEO laws, promoting an inclusive workplace culture, fostering open communication, and establishing neutral and objective criteria to avoid subjective employment decisions.



Sex Discrimination and Harassment

In the Cleveland, Ohio, case study, the trucking companies were required to pay \$460,000 to settle claims of discrimination and harassment on the basis of sexual orientation. Title VII prohibits employers from discriminating against an employee on the basis of sex. The EEOC has clarified that sex discrimination includes discrimination on the basis of an

individual's sexual orientation or gender identity. Under Title VII, unlawful discrimination includes subjecting an employee to workplace harassment that creates a hostile work environment based on an employee's sexual orientation or gender identity. Harassment can include offensive or derogatory remarks about sexual orientation (e.g., being gay or straight) or about a person's transgender status or gender transition.

Sex discrimination is also a frequently alleged basis of discrimination in charges filed with the EEOC. Sex discrimination claims were alleged in over [31% of all charges](#) filed with the EEOC in fiscal year 2023.

To prevent sex discrimination and harassment claims, employers can take measures such as ensuring that employees, managers and HR are properly trained to respond to such claims and promoting respectful and inclusive work environments.



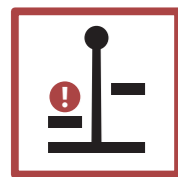
Pregnancy and Disability Discrimination

In the Baltimore, Maryland, case study, the hospitality company was required to pay \$150,000 to settle a pregnancy discrimination lawsuit. Title VII prohibits employers from discriminating against employees due to pregnancy, childbirth or a related medical condition. The ADA requires employers to provide a reasonable accommodation for an employee's disability (including disabilities caused by pregnancy) unless doing so would impose an undue hardship on the employer. Disability discrimination is another frequently alleged basis of discrimination in charges filed with the EEOC. In fiscal year 2023, this type of discrimination was alleged in [36% of all charges](#) filed with the EEOC.

In addition, although the Baltimore, Maryland, case addressed in this report did not fall under the Pregnant Workers Fairness Act (PWFA)—which went into effect on June 27, 2023—this law requires employers to provide reasonable accommodations to workers for pregnancy, childbirth and

related medical conditions (including abortion and contraceptive care), regardless of whether the pregnancy or condition constitutes a “disability” under the ADA unless doing so would cause an undue hardship.

Employers may take steps to prevent pregnancy discrimination and properly address requests for reasonable accommodations. These may include implementing compliant practices for responding to requests for disability and pregnancy accommodations and training managers and HR on their obligations under Title VII, the ADA and the PWFA.



Retaliation

The Baltimore, Maryland, and Cleveland, Ohio, case studies in this report also involve allegations of retaliation from employers. EEO laws prohibit employers from retaliating against employees, which generally means punishing a job applicant or employee for asserting their right to be free from employment discrimination. Such punishment can take various forms, including denial of promotion, refusal to hire, denial of job benefits, demotion, suspension, discharge, threats, negative performance evaluations and job transfers.

Retaliation is the most frequently alleged basis of discrimination in charges filed with the EEOC. Retaliation claims under all EEO laws were alleged in almost [57% of all charges](#) filed with the EEOC in fiscal year 2023, and retaliation claims under just Title VII were alleged in almost 40% of all charges filed with the EEOC in the same year.

Employers may take a number of measures to prevent retaliation, such as informing employees that retaliation is prohibited; assuring employees that they will not be punished for taking actions protected by law; responding to employee complaints promptly and effectively; ensuring that managers understand their responsibility to stop, address and prevent retaliation; and holding employees accountable for complying with and enforcing discrimination rules and policies.

Conclusion

These case studies demonstrate how easy it can be for employers to run afoul of EEO laws. It is critical for employers to seek professional guidance before making potentially costly decisions. By learning from these employers’ mistakes, others in similar industries can avoid major violations and prevent EEOC lawsuits.



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