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## Regulating Off Conduct – How Far Can you Go?

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## What's the big issue?

Conduct outside the walls of your business can:

- Impact company's reputation with customers & competitors.
- Create workplace tension.
- Lead to legal liability for the company.



## **Driving Principles**

Employers need to regulate the workplace and protect against negative impacts from outside the workplace, all within allowable limits

Employers must consider non-legal implications, such as employee relations, media exposure, and manager abuse of private information

"Reasonableness" goes a long way with employees, courts and public opinion

## Hot Topics

- Screening mechanisms in hiring
- Political Speech
- Social Media & Privacy Concerns
- Use of Technology & Off The Clock Work
- Medical and Recreational Marijuana Use



# When can you consider off duty conduct when hiring?

## Background Checks

- State law may limit their use
- "Ban the Box" Laws are popular: 24 states and more than 150 cities and counties
- Heightened EEOC scrutiny
- What is the legitimate business need?
- One size fits all is usually not appropriate
- Best practice obtain consent before even an informal search

## Credit Checks

- Heightened EEOC scrutiny
- What is the legitimate business need?
- Several states Connecticut, Maryland, Washington, Oregon, Hawaii, Illinois, etc. – have enacted laws restricting employers' use of credit checks
- Fair Credit Reporting Act (FCRA) requires consent and disclosure before taking employment action based on a credit report
- Bankruptcy Code prohibits employers from discriminating against employees who file for bankruptcy

## Fair Credit Reporting Act

When using a consumer report for an employment purpose, employers must:

- Obtain consent.
- Notify employee/applicant when an adverse action is taken on the basis of such reports, and
- Identify the source of the report, so that the accuracy and completeness of the report may be verified or contested.

## Fair Credit Reporting Act

A "consumer report" is the communication of "any information" by a CRA that bears on a consumer's "credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living", and that is "used or expected to be used or collected in whole or in part" for the purpose of serving as a factor in establishing eligibility for credit or insurance to be used primarily for personal, family, or household purposes, employment purposes, or any other purpose authorized under Section 604.

## Social Media

Like

- Useful for Recruiting
- Facilitates Communication
- Assists Background Checks & Investigations
- Enables Marketing Like
- Results in Lost productivity
- Enables Harmful Postings
- Can be used to Violate Company Policies and Divulge Confidential Information
- May Result in Employer Liability for Employee Conduct



Like

Dislike



Dislike



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## "Duty" To Review Social Media?

Negligent hiring, retention, and supervision:

 Employers may be liable when an employee harms others, if the employer knew or should have known of the employee's propensity to cause such harm.

## Vetting Applicants Via Social Media

### You might be socially discriminating and not even know it.

Depending on how candidates control their privacy settings on sites such as Facebook, recruiters and hiring managers can learn a great deal of information—information that shouldn't influence their decision to interview or to hire a candidate, but might.

## Gimme Your Password



#### Want to like this page?

To interact with Maryland Department of Public Safety and Correctional Services you need to sign up for Facebook first.

#### Sign Up

It's free and anyone can join. Already a member? Log in.

### facebook

Log In

Keep me logged in

Password



Facebook helps you connect and share with the people in your life.



#### Protecting Your Passwords and Your Privacy

by Facebook and Privacy on Friday, March 23, 2012 at 5:32am ·

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Privacv

A more companies ask workers for access to their Facebook accounts, the anore companies ask workers for access to their facebook a volation of its own as more companies ask workers for access to the password is a volation of the password is a vol guidelines. Employers information they have seen or for knowing what responsibilities may arise based on protection of different types prmation (e.g. if the information suggests the commission of a crime).

Facebook takes your privacy seriously. We'll take action to protect the privacy and security of our users, whether by engaging policymakers or, where appropriate, by initiating legal action, including by shutting down applications that abuse their privileges.

While we will continue to do our part, it is important that everyone on Facebook understands they have a right to keep their password to themselves, and we will do our best to protect that right.

-- Erin Egan, Chief Privacy Officer, Policy

## What You Can Do Now

- Make the informal process more formal. Establish guidelines for reviewing social media and processing the resultant data.
- Build walls into your process. Separate information gathering from decision-making through the use of third party vendors or by having an employee outside the decision-making process review social media. Provide only relevant data to hiring managers to ensure that those involved in the decision-making process won't be unconsciously influenced by protected information.
- Train Those Involved In The Hiring Process. Then train them again.
   And again, and again, and again.

## Key Points to Remember

- Be consistent. If using social media to screen candidates, use it for all candidates, and use it in the same way.
- If information from social media impacts the hiring decision, keep a copy.
- Be mindful of your obligations under the Stored Communications Act and other laws.

### It's a New World

- With social media, employers now have heightened awareness of employees' off duty conduct.
- Instead of gathering around the water cooler, folks are now forwarding tweets, texts and Facebook posts
- News (and photos) of bad behavior is instant
- Employees now discuss (on a daily basis) controversial social and political issues as well as their own and each other's off duty conduct.

### **Proceed with Caution**

More than 30 States protect employees against adverse action based on some form of lawful off-duty conduct

Lawful Off-Duty Conduct:

Examples: AK (public), CA, CO, ND, NY

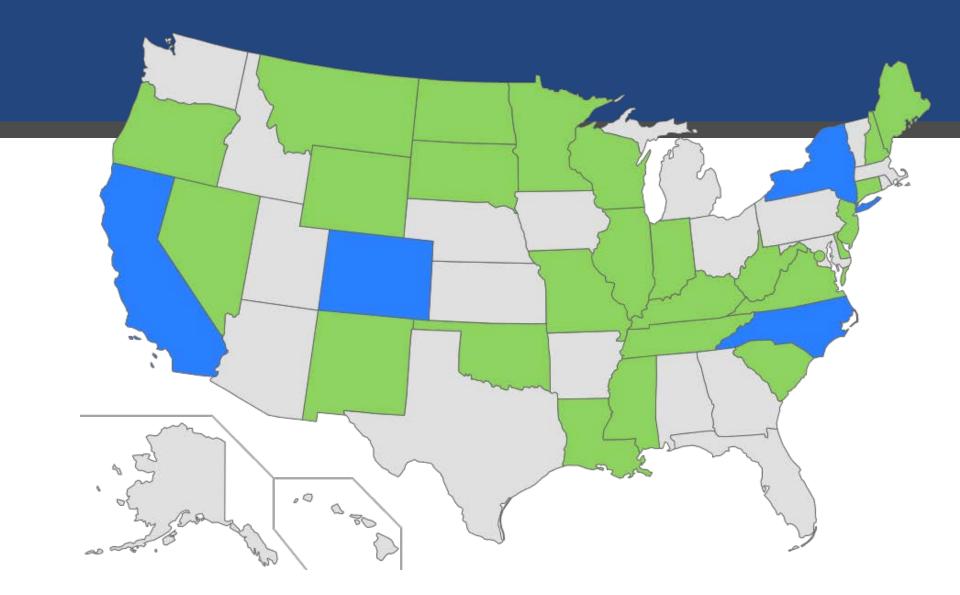
Political Activity:

30+ states (AK public)

<u>Consumption Of Lawful Products</u>: ~ 7 states

Smoking/Tobacco Use:

See chart on next slide



### Free Speech?

- Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or <u>abridging the freedom of speech</u>, or of the press; or the right of the people peaceably to assemble, and to petition the government for a redress of grievances.
- Does not say that a private employer cannot make a rule limiting the freedom of speech, which some may in the jurisdictions that allow it.
- Frank v. Lane, 573 U.S. 13 (2014) First Amendment protections for government employees; see also AS 39.26.010
- Schumann v. Dianon Sys., 304 Conn. 585 (2012) private sector employee not entitled to free-speech protection
- Gilman v. Marsh & McLennan Companies, Inc., No. 15-0603 (2d Cir. 2016) no protections for private sector employees refusing to speak

### NRLA Rights

- Section 7 of the National Labor Relations Act: "Employees shall have the right ... to engage in ... concerted activities for the purpose of ... mutual aid or protection."
  - -Political advocacy related to labor or working conditions
  - -Contacting legislators
  - -Testifying before agencies
  - -Joining protests/demonstrations

Political topics that may relate to terms and conditions of employment:

- -Minimum wage -Equal pay -Paid leave -Healthcare
  - -Immigration

-Healthcare -Human rights

### What's Ok to Ban?

### **Employee wears pin that says, "Hill Yes!"**

Employer probably\* could ban

### Employee wears pin that says, "SEIU Says Hill Yes!"

### Employer probably could not ban



### What's Ok to Ban?

**Employee wears pin that says, "Dump Trump"** 

Employer probably\* could ban

Employee wears pin that says, "Dump Trump – Equal Pay For All!"

Employer probably could not ban but... could trigger discussion of gender issues and complaints of hostile work environment



### What's Take Away?

- Private employers can generally prohibit political speech in the workplace in Alaska
- But, proceed cautiously to avoid violating any NRLA rights.
- Ensure enforcement of policy is consistent

## Harassment and Social Networking



- Harassment often arises or is exacerbated in social networking.
- Courts will examine whether employer knew or should have known of harassment, and whether employer acted appropriately to end it.

### Technology is Leading to Lawsuits

- Easy tool for harassment.
- Personal e-mail from work address misinterpreted as company-approved.
- Driving while texting accidents on the rise



### Are We Friends or Not?

L	Bob will have to confirm that you are friends.  Show in News Feed Bob's posts will appear on your home page. Message	
	Biology 101 lab Send Request Canc	el
	I dare?	Custom Privacy Make this visible to These people: Specific People  PROFESSIONAL ×
		Only the people above can see this.

## "Friending" Employees

- Initiating "Friend" request to employee?
- Best avoided. Employee may later assert coercion.
- **Accepting "Friend" request from employee?**
- Best to retain documentation of request.
- Consider having separate social media account for employee "Friends".

### By Invitation Only

### Employers cannot directly access restricted ("friends only") web sites without being invited

Federal Stored Communications Act

Remember: Employees have NO obligation to provide access to off-duty social media activities



### Accessing Restricted Sites

Employee 1 complains about posting by employee 2 on a restricted site. You must investigate. How do you gain access to the restricted site?



- Ask reporting employee to execute voluntary consent form
- Ask reporting employee to provide screen shots

## Privacy Rights Are Being Redefined



- Security vs. Privacy
- Can you monitor?
- Should you monitor?
- What should you monitor?
  - Social media and general internet use.
  - Company cell phones.
  - Web-based personal e-mail.

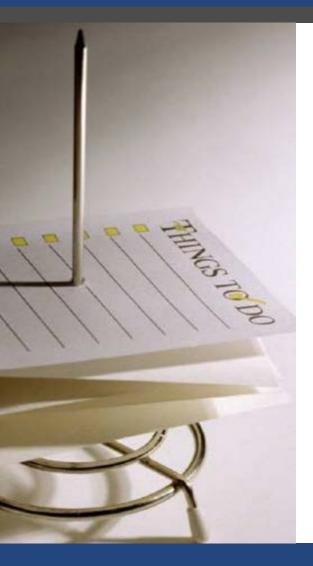
Third Party E-Mails Stored On Your Server:

 Employees access their Gmail; Yahoo; AOL, or other non-work e-mail using work company computer.

 Generally, e-mail stored on company server is NOT private, and employer may access.

but . . .

## Accessing Employee Social Media: Practical Suggestions



- Unrestricted profiles are usually fair game
- Do not use false pretenses
- Do not use friends to spy on "friends"

### Blogging

- 100
- Employee comments positively in
  blog about company's product.
  Some statements are at least
  arguably misleading and
  exaggerated. Employee also
  states in their comments that
  they work for the company that
  makes the product.

Is this a legal problem?

#### Spokesperson Issues



YES. The FTC says it violates the rules regarding "the use of endorsements and testimonials in advertising".

What can you do to prevent this?

- Address truth in advertising issues with all who act as a "face" of the company.
- Incorporate into social media policy.

## Biggest Concern Employee Bad Judgment

- This is the problem you most expected
- Harassment, political insensitivity and just plain stupidity
- Legally, this may not be anything new, but your HR team has to be ready to deal with the issues



### **Terminations on Facebook**

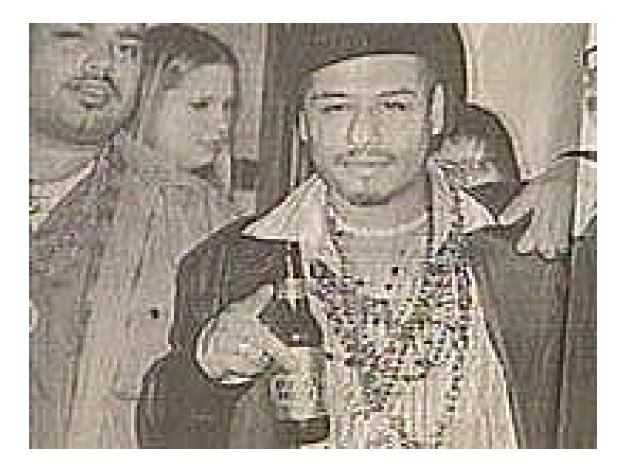
- Terminations because of postings on Facebook are so common that they have a Facebook page!
- Many cases are based on "the convergence of modern technology and the foibles of human judgment"
- A few examples.....

#### Your Company Image





### Would you fire me?



#### The New York Times

Video Prank at

#### **Taints Brand**



Photographs from the Conover, N.C., Police Department

Online comments helped the police identify Kristy Hammonds and Michael Setzer as the makers of a troubling kitchen video.

By STEPHANIE CLIFFORD Published: April 15, 2009

When two employees filmed a prank in the restaurant's kitchen, they decided to post it online. In a few days, thanks to the power of social media, they ended up with felony charges, more than a million disgusted viewers, and a major company facing a public relations crisis.

¥	
in	LINKEDIN
	SIGN IN TO E- MAIL
₽	PRINT
ē	REPRINTS

Connor Riley, a.k.a. "Cisco Fatty"





"Cisco just offered me a job! Now I have to weigh the utility of a fatty paycheck against the daily commute to San Jose and hating the work."



**Ewitter** Tim Levad (Cisco Employee) Responds:

"Who is the hiring manager? I'm sure they would love to know that you will hate the work. We here at Cisco are versed in the web."

#### Simonetti v. Delta Airlines







### Confidentiality

- <u>Twitter case</u> HR employee tweets of the upcoming RIF that she is partially in charge of implementing.
- Facebook case Employee who realizes he is about to be fired takes cell phone pictures of confidential documents, then posts them openly on Facebook

### NLRA + Facebook = Lawsuit

- American Medical Response (AMR) had a policy prohibiting employees from making disparaging, discriminatory or defamatory comments about the company, its managers, employees or clients.
- AMR employee posted negative remarks against her supervisor on her Facebook page from her home computer.
- AMR suspended and then terminated the employee for violating its policy.

http://www.nlrb.gov/shared\_files/Press%20Releases/2010/R-2794.pdf





### What happened?

- On 10/27/10, the NLRB issued a complaint against America Medical Response.
- NLRB argued employer's policy interfered with employee's right to engage in protected concerted activity.

### What's the NRLB doing here?

- The NLRA prohibits employers from quashing employee communication about issues relating to their workplace.
- Applies to unionized or non-unionized workplaces.
- Policies problematic when: (1) employees would reasonably construe the language to prohibit Section 7 activity; (2) the rule was promulgated in response to union activity; and (3) the rule has been applied to restrict the exercise of Section 7 rights.

Lutheran Heritage Village – Livonia, 343 NLRB 646 (2004).

### Result?

- So did the policy violate the NLRA?
- We don't know! AMR/NLRB settled the case.
- BUT in July 2011 we received a bit more guidance on how the NLRB views these matters:
  - JT's Porch Saloon & Eatery Ltd., NLRB Div. of Advice, No. 13-CA-46689, 7/7/11 [released 7/14/11];
  - Martin House, NLRB Div. of Advice, No. 34-CA-12950, 7/19/11
     [released 7/25/11];
  - Wal-Mart, NLRB Div. of Advice, No. 17-CA-25030, 7/19/11
     [released 7/25/11]).

### "Chavs" vs. Workplace

- Virgin Atlantic took disciplinary action against 13 crew members who participated in a Facebook discussion that criticized the airline's safety standards and insulted passengers.
- Individuals posted messages referring to passengers as "chavs" and making jokes about faulty engines.
- Joked that planes were full of cockroaches and claimed the airline's jet engines were replaced four times in one year.



### Gripes vs. Activity

- Fall 2010: Bartenders discuss how the new tip policy "sucks"
- November 2011: Bartender response to step-sister's question on Facebook about how his night went –
  - Complains he went 5 years without a raise
  - Customers were rednecks, who he hoped choked on glass on their way home



### Group of "One"

- No other employees commented on the post
- The bartender's online complaint was never discussed with other employees, and none responded to the posting
- His complaint was a response to an independent inquiry from his stepsister

### When is it protected?

- Not all postings are protected from disciplinary action even if their complaints are job-related
- Why? They had to grow out of protected activity – personal gripes are not protected
- Individual activities may share NLRA protection if they are the "logical outgrowth" of concerted activity

### Sample NLRB Rulings

- Nonprofit social services provider unlawfully fired 5 employees for complaining on Facebook about poor performance by other employees and workload concerns
- Luxury car dealership wrongfully fired employee who posted pictures and criticism of a work related event – because hot dogs and not more "substantial" refreshments. The criticism deemed related to "commissions"

#### **Guiding Principles**

- Don't lie to your boss
- Don't go after the customers
- Don't threaten anyone
- And for employers ... Courts (and the court of public opinion) are more understanding when there's a true business impact on the conduct of the offending employee.
  - Workplace disrespect or disruption
  - Upsetting customers
  - Impacting reputation of the Company

## **Guiding Principles**

- Proceed with caution before discipline based on employees' speech about the workplace, their working conditions, or their supervisors.
- "Likes" on Facebook usually equate to speech
- You must consider these factors even if your workplace is not unionized (NLRA protection applies to all workplaces when it comes to protected concerted activity).
- Carefully draft/review social media policies.

### **Texting After Hours**

Regulate use of business computer equipment and system access after hours. Why?

- Wage and hour concerns ...
   "checking in" after work can be compensable time.
- Blurs the lines between on duty/off duty.



Real Life and Hypothetical Situations What would you do?



#### The Tale of the Exploding Copier

- Friend warns the other that she'll have a tough day at work by saying ...
- "Be careful of me today ... I'm blowing up the copier this morning!"
- You're the supervisor. You see the post. What do you do?

### Just here for the printer

**"This typing thing seems to be doing the trick. It just looks like I am hard at work on something very important.** 

. . .

I am only here for the money and, lately, for the printer access. I haven't really accomplished anything in a long while ... and I am still getting paid more than I ever have at a job before, with less to do than I have ever had before. It's actually quite nice when I think of it that way. I can shop online, play games and read message boards and still get paid for it."

#### **Grocery Store**

#### You're a supervisor at a grocery store. One morning you're looking at your Facebook account and see this ...

facebook 🙏 🛱 😽 Search



# greedy, selfish food for people that don't believe in Human Rights

Suggest to Friends

#### Boycott: Whole Foods Sucks!

Wall Info

Photos

Discussio

Boy

Boycott: Whole Foods Sucks! + Fans

edy, selfish d for people t don't belie luman Righ

#### **Boycott: Whole Foods Sucks**

Daily Kos: State of the Nation www.dailykos.com

### It's your employee!

You discover that the creator of the group is an employee ...



### Bank Intern

From: Kevin Colvin [mailto: Sent: Wednesday October 31, 2007 3:55 PM To: Jill Thompson (North America) Cc: Paul Davis (North America) Subject:

Paul/Jill -

I just wanted to let you know that I will not be able to come into work tomorrow. Something came up at home and I had to go to New York this morning for the next couple of days. I apologize for the delayed notice.

Kind regards,

Kevin

Response From Boss, with attachment from Kevin's Facebook Page:

From: Paul Davis (North America) Sent: Thursday, November 01, 2007 4:54 PM To: Kevin Colvin; Jill Thompson (North America) Cc: Subject:

Kevin,

Thanks for letting us know – hope everything is ok in New York. (cool wand)

Cheers, PCD



### Problem Avoidance What's an employer to do?



### **Taking Action**

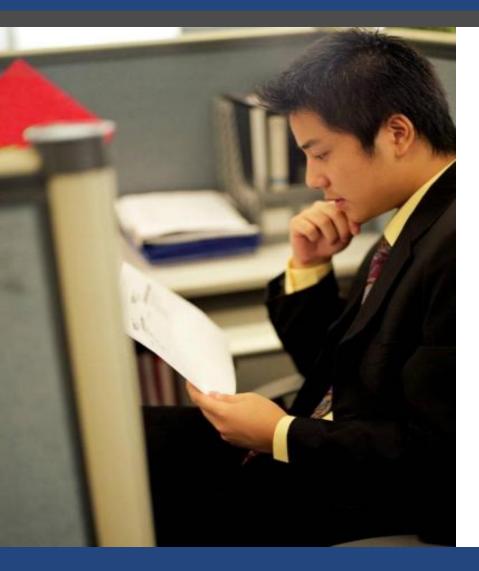
- Craft a policy
- Train your managers
- Be consistent in treatment

Easy, right ... ?

### Which One May Be Unlawful?

- Blogging and internet posting policy ....
  - Employees are prohibited from making disparaging, discriminatory or defamatory comments when discussing the Company or the employee's superiors, co-workers and/or competitors.
- In order to maintain the
   Company's reputation and
   legal standing, the following
   subjects may not be
   discussed by associates in any
   form of social media:
  - Disparagement of company's or competitors' products, services, executive leadership, employees, strategy, and business prospects.

### **E-Policies Really Matter**



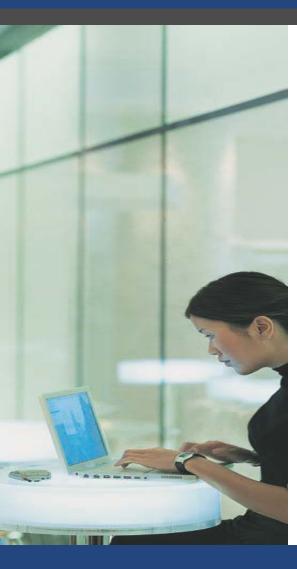
**U.S. Supreme Court:** "employer policies concerning communications will of course shape the reasonable expectations of employees, especially to the extent that such policies are clearly communicated"

City of Ontario v. Quon (2010)

### **Developing Social Media Policies**

- It may work better to focus on what employees can do instead of what they can't.
- Advise employees to exercise good judgment and common sense, and to then be responsible for what they write.
- Instruct employees to share opinions without resorting to defamatory or degrading remarks.
- Insist that employees respect copyrights and protect confidential information.
- Remind employees that productivity matters.
- Seek legal review rules are constantly changing!

## **Revamping Your Policy**



- 1. Modify electronic resources policies to include texting, and *update* as needed.
- 2. Address not only communications transmitted through company's own electronic resources, but also communications transmitted through employee's personal account or devices or through a third-party provider.
- 3. Warn employees that personal e-mail will be subject to monitoring the same as business e-mail, and that e-mail sent through a personal e-mail account could be stored on company equipment and could be monitored.

# **Practical Tips**

#### Update or create written policies:

- No "one size fits all"; need to consider your culture and business.
- Decide which activities to cover.
- Decide whether employees can use company resources to access.
- Consider impact on other polices (e.g., Workplace Harassment; Code of Conduct; Technology/Resource Use, etc.)



## Off-Duty THC Use

Marijuana continues to be illegal under federal law – as a Schedule I controlled substance under the federal Controlled Substances Act (CSA) physicians cannot legally prescribe marijuana under the CSA



### States Permitting Use of Medical Marijuana

- Alaska
- Arizona
- Arkansas
- California
- Colorado
- Connecticut
- Delaware
- District of Columbia
- Florida
- Hawaii
- Illinois
- Maine
- Maryland

- Massachusetts
- Michigan
- Minnesota
- Montana
- Nevada
- New Hampshire
- New Jersey
- New Mexico
- New York
- North Dakota
- Ohio
- Oregon

- Pennsylvania
- Rhode Island
- Vermont
- Washington
- West Virginia



#### States With Limited Marijuana Laws

#### A low-THC form of cannabis is currently legal in:

- •Alabama
- •Florida
- •Georgia
- •lowa
- Kentucky
- •Louisiana
- •Missouri

- North Carolina
- South Carolina
- Tennessee
- Texas
- Utah
- Virginia
- Wisconsin

## State Accommodation Laws

- Arizona
- Connecticut
- Delaware
- Illinois
- Maine
- Minnesota
- Nevada
- New York
- Pennsylvania
- Rhode Island



## States With No Accommodation

- Alaska
- California
- Colorado
- Oregon
- Michigan
- Montana
- Washington



## What Should You Do?

- Consider whether your workplace has any legal obligations to restrict use
- Can you accommodate? Or, safety risk to great?
- Review your existing policy and update as necessary
- Ensure expectations are clear
- Communicate, communicate, communicate
- Designate & train decision makers
- Consistent enforcement
- Thoroughly review circumstances & past practices before discipline if use is health based

# In Summary

- Generally, employers can regulate non-protected offduty conduct that:
  - Interferes with workplace relationships
  - Creates safety concerns
  - Violates company policies
  - Advocates a competitor's products over your own
  - Disparages customers/clients
  - Constitutes a misrepresentation
  - Causes undue embarrassment to the employer
  - Discloses confidential/proprietary information

# Non-legal Implications



- Balancing employer's needs with being viewed as "big brother"
- Creating workforce unrest
- Managers using information for the wrong reasons
- Knowing more than you need to / wasting your time

## Last Bits of Advice

- Review all processes, policies and trainings
- If they are 2+ years old, they're most likely outdated!
- Make sure supervisors are in-line with your organization's goals and understand obligations
- Decisions by team (rather than solo) are best
- Look at the issue from all angles

## Questions?





