

The Employee Rumor Mill Spares No One - Not Even the Company Owner



After speaking separately to two different store managers, Ellen, the HR Director for A₂Z Market, has quite the dilemma. Both managers told her that a third store manager, Jessica, told them that she has been having an affair with Fred, the (married) owner of A₂Z Market.

The managers assured Ellen that they did not believe Jessica's story and thought she was lying. They just wanted to bring the rumor to Ellen's attention because the stories Jessica was telling were quite elaborate and could cause a lot of trouble between Fred and his wife.

Ellen privately met with Fred to let him know what had been said. Fred vehemently denied the rumors and was incredibly hurt and distraught by the story. Prior to this discussion, he considered Jessica a friend. In fact, he and his wife had recently helped Jessica out when she was having problems. Fred then asked Ellen to please speak with Jessica and ask her to stop spreading these false rumors immediately.

After speaking with Fred, Ellen believed that the rumors Jessica was circulating were false, but she was unsure how to proceed. So, she called an HR Professional for guidance.

The HR Professional explained to Ellen that despite the suspicion that the rumors are untrue, the best course of action is to treat the rumors as a potential complaint regarding sexual harassment and to conduct an immediate investigation into the complaint. However, since the complaint involved the owner of the Company, the HR Professional further recommended that Ellen hire an independent third party to conduct the investigation and avoid the appearance of bias. After speaking to the HR Professional, Ellen contacted an independent investigator to conduct the investigation.

The investigator, Robert, began his investigation the next day. Robert started by interviewing Jessica. During the interview, Jessica admitted that nothing ever happened between her and Fred and that she made the whole thing up to get attention. Jessica also signed a statement to that effect. Embarrassed by her behavior, Jessica resigned from her employment at A₂Z Market.

Take Home Message For Employers

This is not the first time a business owner has been accused of engaging in inappropriate behavior and it certainly will not be the last. In these cases, an investigation should be conducted immediately. Since the

complaint involves the owner, the best practice is to have an independent third party conduct the investigation. This will enable you to demonstrate that the investigation was unbiased. In addition, given the nature of the complaint, employees will likely be more comfortable speaking with an independent investigator because the perception that the owner is “controlling” or “manipulating” the investigation will be eliminated.