



CASE STUDY:
Conduct After Hours

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Part I

After many long, stressful days of hard work, the high-net-worth financial advisor team hosted a happy hour in a private room at a local cocktail lounge to celebrate the end of summer and several consecutive quarters of superior performance. Everyone needed an evening to relax. At the firm, these celebrations are an important way to recognize strong individual and team performances. By creating stronger bonds among team members, the events are a critical component of establishing a sense of belonging. The celebrations are also part of the recognition process at the firm and help to reinforce continued strong performance. This team deserved recognition given its sustained commercial success. The division's senior management attended, as well as junior and senior financial advisors. Similar to prior celebratory events, as the evening progressed, happy hour became happy hours.

Alex, recently named Best Asset Manager of the year, was one of the senior financial advisors who played an important role in the team's success, and was known in the firm as being a driver of this culture of recognition. As the evening wore on, he showed signs that he had had too much to drink. Tonight he ordered several drinks for Francis, a junior advisor who has worked at the firm for about two years. Relative to other junior analysts, Francis delivers quickly on client pitches and offers more original ideas. Therefore, Francis was often asked to work on Alex's client portfolio.

By the end of the event, only Alex, Francis, and a few other junior financial advisors remained. Among the last to leave were Rory and Devon, two junior financial advisors that joined the firm a year before Francis. The junior advisors felt privileged to be on Alex's team, given his reputation as a charismatic leader with a great track record and an expectation of loyalty from his team. Alex is also generous with praise for junior advisors, so long as they make decisions that Alex deems "smart."

On the way out, Rory noticed Alex and Francis at the bar. Rory, who also overindulged, recorded a short video of Alex swaying at the bar, and occasionally leaning close to Francis. It seemed like a funny situation—



perfect for the “bloopers reel” they’d no doubt create for the year-end holiday party in a few months.

The next day, Rory looked at the video clip, and saw that Francis flinched and pulled away when Alex moved too close. Meeting Francis in the hallway, Rory asks Francis if everything was okay at the bar. Despite Francis’s reassurance that there was no trouble, Rory presses the point. “I’m fine. Please drop it. Don’t be weird,” Francis says. Rory is not convinced. Like every employee, Rory has taken a training course in sexual harassment. It is the firm’s policy that employees must report violations of the firm’s zero-tolerance harassment policy. But Francis was clear: it was not Rory’s business.

Discussion Questions

- What does your instinct tell you about what Rory should do? If you think he should report something, what are the issues he should report? If Alex were Francis’s supervisor, would you change your answer?
- How do you decide between conflicting norms: to respect a colleague’s privacy or to follow an employer’s policy? For what reasons might Francis decide to remain silent even though the situation at the bar was uncomfortable?
- Who determines what constitutes sexual harassment? If those who appear to be harassed do not regard the behavior as harassment, should an observer report the conduct? What happens when “raising your hand” could cause distress for a colleague, supervisor, or for you?
- If Alex is known to let loose sometimes and encourages others to do so too, would you change your answers? If you knew that senior managers were aware of Alex’s behavior, but have done nothing about it, would you change your answers?



Part II

The firm has policies that restrict the use of electronic recordings and social media, but permit it for limited business or personal use. Yet it was unclear how the policies applied to an after-work social event. Management frequently encouraged the taking of photographs and video clips to help showcase the firm's culture and camaraderie, and colleagues shared photos and comments on WhatsApp. The policy, however, also emphasized the importance of protecting the reputation of the firm and its intellectual property. It also prohibited defamatory comments in both business and personal use of social media communication. Rory wonders if his video clip should stay private—and whether he should delete it.

Rory decides not to report the conduct. But two days later, Devon pulls Rory aside on the way to a meeting. Apparently, someone else had recorded a video of Alex at the bar. There were a lot of likes, as well as some unpleasant comments. Rory is visible in the background of the video holding up his cell phone. Devon heard someone say that the video was posted to Instagram, and Human Resources would almost certainly have the video before the end of the day.

Discussion Questions

- What does your instinct tell you about what course of action, if any, Rory should take?
- How does social media affect an employee's duty to an employer? What are the concerns for the people in the video?
- Should Rory speak further with Francis, or Alex? If so, what should he say?
- To what extent can social media usage affect the reputation of the firm?