

4.4

Financial costs

This table demonstrates the potential financial costs of instances of sexual harassment and bullying for practices

INFORMAL ACTION		Approx. time (hrs)	Junior Employee	Senior Employee	HR	Support (associate level)	Principal	Partner	Perpetrator (senior)	Witnesses x3	Additional staff	External Party	Total Cost per Step - Junior	Total Cost per Step - Senior
Initial Meeting with HR		5	\$30.00	\$75.00	\$60.00								\$450.00	\$675.00
Meeting to understand severity		2			\$60.00		\$105.00	\$165.00					\$660.00	\$660.00
Initial Meeting with alleged perpetrator		3			\$60.00		\$105.00	\$165.00	\$75.00				\$1,215.00	\$1,215.00
Outcome of informal action Written Warning/ Outcome formal action notice		0.5			\$60.00								\$30.00	\$30.00
													\$2,355.00	\$2,580.00
FORMAL ACTION (the Formal Action includes all Informal Actions Steps)														
Evidence gathering		3	\$30.00	\$75.00	\$60.00		\$105.00		\$75.00	\$170.00			\$1,320.00	\$1,455.00
Meeting #2 with alleged perpetrator		3			\$60.00	\$57.00	\$105.00	\$165.00	\$75.00				\$1,386.00	\$1,386.00
Formal decision letter		0.5			\$60.00								\$30.00	\$30.00
Response to formal decision letter		1							\$75.00				\$75.00	\$75.00
													\$5,166.00	\$5,526.00
POSSIBLE ACTIONS (Outcome of decision may lead to the below actions)														
Termination of Employment		3			\$60.00		\$105.00		\$75.00				\$360.00	\$360.00
Victim Leave during process		37.5	\$30.00	\$75.00									\$1,125.00	\$2,812.50
Alleged perpetrator leave during investigation		37.5							\$75.00				\$2,812.50	\$2,812.50
Productivity decline (3 months at 50%) *typically this decline could range from 2 weeks to 2 years depending on incident. Figure based on Deloitte study (2019)		225	\$30.00	\$75.00									\$6,750.00	\$16,875.00
Resignation of victim 1 month pay out (not inclusive of AL + LSL cashout)		150	\$30.00	\$75.00									\$4,500.00	\$11,250.00
Additional Counselling sessions to EAP		6										\$185.00	\$1,110.00	\$1,110.00
Rehiring for alleged perpetrator role (recruiter)		6			\$60.00		\$105.00		\$75.00		\$34.00	\$24,000.00	\$25,644.00	\$25,644.00
Rehiring for Complainant role (recruiter senior only)		6	\$30.00	\$75.00	\$60.00		\$105.00				\$34.00	\$24,000.00	\$1,374.00	\$25,644.00
External mediation for appeal		3	\$30.00	\$75.00	\$60.00	\$57.00	\$105.00		\$75.00			\$750.00	\$3,231.00	\$3,366.00
Legal advice		2			\$60.00						\$34.00	\$500.00	\$1,188.00	\$1,188.00
Sexual Harrassment Retraining (for 100pax)		10										\$1,000.00	\$10,000.00	\$10,000.00
ESTIMATED TOTAL													\$63,260.50	\$106,588.00

These are approximate hours it may take for these discussions/meetings, however, you can tailor to your requirements and scale and size of practice

Refer to section 4.1 for for more information on process

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Refer to award, NES for further information and details

The importance and value of gender equality should be reason enough to build a fair and inclusive culture. Nevertheless, the business case is clear, practices bear significant financial costs for instances of sexual harassment and bullying.

While the true price of sexual harassment and bullying is hard to determine, the table on the right demonstrates the tangible costs to a practice similar in size to a large-scale practice.

These hourly rates have been based on architect's award, however, you may need to tailor to your practice costs.