MOVING BEYOND A LEGAL-CENTRIC APPROACH TO MANAGING WORKPLACE ROMANCES: ORGANIZATIONALLY SENSIBLE RECOMMENDATIONS FOR HR LEADERS

CHARLES A. PIERCE AND HERMAN AGUINIS

The goal of this article is to encourage human resource (HR) leaders to think more strategically about managing workplace romances. The traditional legal-centric management approach focuses on minimizing risks of workplace romances. We advocate embedding the legal-centric approach within a broader and more strategic organizationally sensible approach that provides a balanced focus on minimizing risks and maximizing rewards of workplace romances. Drawing from the empirical workplace romance literature, we derive a set of organizationally sensible best-practice recommendations that HR leaders can adopt to manage risks and rewards of romantic relationships in organizations. Implementing our more strategic recommendations should provide the added benefit of elevating HR professionals’ roles as organizational leaders. © 2009 Wiley Periodicals, Inc.

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What happens when organizations hire well-qualified job applicants and require them to work long hours in mixed-gender workgroups? Employees often have workplace romances. A workplace romance is a consensual relationship between two members of the same organization that entails mutual sexual attraction (Mainiero, 1986; Pierce & Aguinis, 2005; Powell, 1986; Powell & Foley, 1998; Quinn, 1977). Although the workplace romance literature has focused on opposite-sex relationships, no stipulations in this definition exclude same-sex relationships. In addition, the definition includes dating or marital relationships that develop before or during employment (Moen & Sweet, 2002; Werbel & Hames, 1992, 1996). The key defining attributes of workplace romances are
that, unlike sexually harassing behavior (U.S. Equal Employment Opportunity Commission (EEOC), 1993), they are consensual and mutually welcomed relationships (Amaral, 2006; Clarke, 2006).

In the United States, nearly 10 million workplace romances develop annually (Spragins, 2004); moreover, about 40% of employees have had one (Parks, 2006). Workplace romances are also pervasive in other countries such as the United Kingdom, where more than 70% of employees have had one (Clarke, 2006). With respect to their outcomes, according to surveys by Vault.com (“Cupid in the cubicle,” 2005) and the American Management Association (“Workplace dating,” 2003), 22% and 44% of the respondents, respectively, reported that their workplace romances resulted in long-term relationships, including marriage. However, not all workplace romances culminate in a positive, long-lasting relationship. In some cases, they may lead to a sexual harassment lawsuit (Pierce, Muslin, Dudley, & Aguinis, 2008). In other cases, a workplace romance may tarnish the company’s reputation because of negative publicity (e.g., “CEO of Boeing resigns,” 2005).

As shown in Figure 1, we recommend that HR leaders embed the legal-centric management approach within a broader and more strategic organizationally sensible approach that both minimizes risks (costs) and maximizes rewards (benefits) of workplace romances. Considering that outcomes range from positive long-term relationships to sexually harassing behavior, the goal of this article is to encourage human resource (HR) leaders to think more broadly and strategically about managing workplace romances. In general, organizations fear being liable for sexual harassment and thus have traditionally managed workplace romances in a cost-centered or legal-centric manner. According to three surveys of HR professionals conducted by the Society for Human Resource Management, (Parks, 2006; SHRM, 1998, 2002), most workplace romance management practices, such as prohibiting romances, discouraging romances, and requiring romance participants to sign a consensual relationship agreement, are aimed at preventing sexual harassment lawsuits.

A legal-centric HR management practice does not necessarily involve legal mandates (e.g., enforcing a workplace romance policy) but prioritizes legal considerations while essentially ignoring organizationally relevant nonlegal considerations (Roehling & Wright, 2006). One example of a legal-centric HR practice is discouraging socializing between male and female employees because of concern about potential sexual harassment claims (see Table I in Roehling & Wright, 2006). It is not illegal for men and women to socialize and have consensual, mutually desired relationships at work. However, many organizations discourage or prohibit workplace romances despite evidence that these liaisons do not always impede participants’ job performance (Pierce, Byrne, & Aguinis, 1996). This traditional legal-centric management style stems from the origins of organizational theory, which emphasize rationality and scientific management to the exclusion of sexual relations in the workplace (Clarke, 2006; Rabin-Margalioth, 2006; Schultz, 2003).

As shown in Figure 1, we recommend that HR leaders embed the legal-centric management approach within a broader and more strategic organizationally sensible approach that both minimizes risks (costs) and maximizes rewards (benefits) of workplace romances. Drawing from Roehling and Wright (2006), an organizationally sensible approach differs from a legal-centric approach in that it does not focus on potential harassment litigation threats at the expense of other key criteria such as romance participants’ job performance, the degree of work disruption a romance causes, and the organization’s values and code of ethics. Because an organizationally sensible approach is both cost- and benefit-centered, organizations should be able to add value to their HR function by managing romances in a more strategic fashion (cf. Ulrich & Brockbank, 2005). In sum, an organizationally sensible approach would subsume yet extend beyond managing legal risks associated with workplace romances (see Figure 1).
Throughout this article, we review key findings the scientific literature reports on workplace romance. On the basis of these empirical studies, which we summarize in Table I, we derive a set of organizationally sensible best-practice recommendations that HR leaders can adopt to manage workplace romances. Previous recommendations for managing workplace romances (e.g., Gregg, 2004; Paul & Townsend, 1998; Schaefer & Tudor, 2001) are not based on the scientific evidence accumulated from workplace romance studies conducted during the past 30 years. Hence, they do not provide a balanced focus on minimizing risks and maximizing rewards of workplace romances.

A perusal of the studies we summarize in Table I reveals some trends that are of interest to HR professionals. First, since 1977, researchers have focused on two microlevel issues: the motives underlying employees’ decisions to participate in a workplace romance and whether or not workplace romances are associated with participants’ job performance. Second, since 1992, researchers have focused on the association between workplace romance and sexual harassment. Third, since 1996, researchers have focused on ethical issues such as extramarital workplace romances. Finally, since 2000, researchers have expanded their focus to include macrolevel issues such as workplace romance policies and whether or not certain organizational climates foster workplace romances. Even a quick perusal of the studies we summarize in Table I reveals that there are more issues to consider with workplace romances than just legal risks. It is thus imperative that HR leaders broaden their perspective and consider implementing an organizationally sensible approach that focuses on minimizing risks and maximizing rewards of workplace romances.

In the remainder of this article, we first review risks of workplace romance. We then review rewards of workplace romance. Finally, we provide organizationally sensible recommendations that HR leaders can adopt to manage risks and rewards of workplace romance and offer suggestions for implementing these recommendations.

**Risks of Workplace Romance**

**Sexual Harassment**

Workplace romances are not illegal and not typically the target of litigation (Clarke, 2006; Schultz, 2003). However, from an organization’s perspective, the main risk of workplace romances is that they can dissolve and lead to sexual harassment claims (Pierce & Aguinis, 1997, 2001, 2005; Pierce et al., 2008). According to three SHRM surveys (Parks,
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<th>Authors &amp; Year</th>
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<tr>
<td>Quinn (1977)</td>
<td>There are three types of motives for entering workplace romances: job, ego, and love. Employees typically try to hide their workplace romances. Job performance of romance participants can increase or decrease. Most common management response is to ignore workplace romances. Women are more likely than men to be terminated because men are usually in the higher position and thus less dispensable.</td>
<td>HR leaders should take no action against workplace romance when participants’ job performance is unaffected. HR leaders should avoid terminating employees for participating in a workplace romance.</td>
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<td>Powell (1986)</td>
<td>Workplace romances are perceived as appropriate only if they do not affect productivity. Women perceive workplace romances more negatively than do men.</td>
<td>Workplace romances should not be prohibited unless there are declines in participants’ job performance or there is work disruption.</td>
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<td>Dillard (1987)</td>
<td>Workplace romances do not inevitably lead to performance decrements for participants.</td>
<td>Organizational policies should not be based on the assumption that workplace romances lead to declines in participants’ job performance.</td>
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<td>Dillard and Broetzmann (1989)</td>
<td>Workplace romances typically have no impact on the participants’ job-related behaviors. If there are changes in job-related behaviors, they can be explained by participants’ motives for entering the romance.</td>
<td>Workplace romance participants’ job performance should be monitored.</td>
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<td>Devine and Markiewicz (1990)</td>
<td>In hierarchical workplace romances, the lower-status employee is rated more positively than the higher-status employee on performance-related variables such as competence, productivity, and commitment.</td>
<td>Indirect-reporting supervisor-subordinate romances should not be prohibited unless they cause work disruption.</td>
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<td>Anderson and Fisher (1991)</td>
<td>Job-related workplace romance motives are more commonly attributed to female than to male employees.</td>
<td>Direct-reporting supervisor-subordinate romances should be prohibited.</td>
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<td>Summers and Myklebust (1992)</td>
<td>When observers evaluate sexual harassment claims, they judge female complainants as less innocent and male alleged harassers as less guilty when the complainant and accused had a prior workplace romance.</td>
<td>When responding to a sexual harassment claim that stems from a workplace romance, HR leaders should focus on the alleged harassing conduct and not on the romance.</td>
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**TABLE I** Continued.

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<td>Dillard, Hale, and Segrin (1994)</td>
<td>The most common types of workplace romances are (a) a male with higher organizational status than his female partner and (b) passionate and companionate relations, as opposed to flings or utilitarian relations. Job-related romance motives are perceived as negatively affecting the social climate of a workgroup. Hierarchical romances are not associated with declines in participants’ job performance or workgroup functioning.</td>
<td>Direct-reporting supervisor-subordinate romances should be prohibited. Indirect-reporting supervisor-subordinate romances should not be prohibited unless they cause work disruption.</td>
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<td>Brown and Allgeier (1995)</td>
<td>Managers are most likely to recommend intervening in workplace romances when they occur between employees who have unequal organizational status or the participants’ job performance is negatively affected.</td>
<td>Interventions in workplace romance are appropriate when there are declines in participants’ job performance.</td>
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<td>Brown and Allgeier (1996)</td>
<td>When evaluating workplace romances, observers place the most emphasis on participants’ marital status, motives for entering the relationship, and job performance.</td>
<td>Extramarital workplace romances should be discouraged. Direct-reporting supervisor-subordinate romances should be prohibited.</td>
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<td>Pierce (1998)</td>
<td>Women perceive workplace romances more negatively than do men. Participation in a workplace romance is positively associated with job performance.</td>
<td>Organizational policies should not be based on the assumption that workplace romances lead to declines in participants’ job performance.</td>
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<td>G. E. Jones (1999)</td>
<td>Team members’ perceptions of a hierarchical workplace romance are more negative if either the team leader or the coworker is married to someone else. Women more than men exhibit negative reactions toward working with hierarchical romance participants.</td>
<td>Extramarital workplace romances should be discouraged. Direct-reporting supervisor-subordinate romances should be prohibited.</td>
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<td>Karl and Sutton (2000)</td>
<td>A counsel policy is perceived as more fair than a no-action policy, verbal reprimand, written warning, transfer, or termination policy. Punitive policies are perceived fair when romance participants’ job performance declines. A no-action policy is perceived fair when romance participants’ job performance improves.</td>
<td>Organizations should train HR leaders to provide counseling for workplace romance participants. Punitive actions and no action should be linked to workplace romance participants’ job performance.</td>
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<td>Pierce, Aguinis, and Adams (2000)</td>
<td>When observers evaluate sexual harassment claims that stem from a dissolved workplace romance, their judgments of responsibility depend on the participants’ romance motives, and their recommended personnel actions depend on the type of workplace romance.</td>
<td>HR leaders should be trained to avoid the biasing effects that a prior workplace romance can have on their responses to a sexual harassment claim. Organizations should inform employees of the risks associated with workplace romance.</td>
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<td>Powell (2001)</td>
<td>When observers evaluate a romance between a senior-level executive and a lower-level employee, (a) they are more likely to attribute a job-related motive to a female than to a male lower-level employee, (b) they think the romance is a more serious problem for the organization if a lower-level female has a job-related motive for entering the romance, and (c) male observers more often than female observers recommend taking strong action against the couple if the romance caused work disruption.</td>
<td>Direct-reporting supervisor-subordinate romances should be prohibited. Workplace romances between executives or upper-level management and lower-level employees should be prohibited or, at minimum, monitored for favoritism and work disruption.</td>
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<td>Pierce and Aguinis (2003)</td>
<td>Employees’ participation in a workplace romance is positively associated with their level of job satisfaction but not associated with their level of work motivation or job performance.</td>
<td>Workplace romances should not be prohibited unless there are declines in participants’ job performance or work disruption.</td>
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<td>Pierce, Broberg, McClure, and Aguinis (2004)</td>
<td>When observers evaluate sexual harassment claims that stem from a dissolved workplace romance, their responses to the claim depend on the degree to which they consider the social-sexual behavior to be unethical.</td>
<td>HR leaders and employees should be trained to recognize workplace romance and sexual harassment as ethical issues. Inform employees of the risks associated with workplace romance.</td>
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<td>Mano and Gabriel (2006)</td>
<td>Workplace romances are more likely to emerge in “hot” organizational climates where work arrangements foster contact outside work and policies do not punish romance participants.</td>
<td>Organizations’ values, policies, and ethical codes of conduct instilled by top management can be used to encourage or discourage the development of workplace romances.</td>
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<td>Riach and Wilson (2007)</td>
<td>Unwritten rules for engaging in workplace romance favor certain employees, depending on their gender, position in the organizational hierarchy, and sexual identity.</td>
<td>Direct-reporting supervisor-subordinate romances should be prohibited.</td>
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<td>Pierce, Muslin, Dudley, and Aguinis (2008)</td>
<td>Federal and state judges follow a traditional legal model, whereas employees/managers follow an ethical model when making decisions about sexual harassment claims that stem from a dissolved workplace romance.</td>
<td>Ethics-based regulations regarding workplace romance should include relevant legal issues.</td>
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MOVING BEYOND A LEGAL-CENTRIC APPROACH

between 77% and 95% of HR professionals fear that harassment claims will result from workplace romances. In addition, more than 75% of CEOs surveyed by Fortune fear that harassment lawsuits will result from workplace romances (Fisher, 1994). It is thus not surprising that organizations have traditionally managed workplace romances in a defensive, legal-centric manner by discouraging or prohibiting them for the purpose of preventing sexual harassment lawsuits.

Although many organizations adopt this legal-centric management style, HR leaders should consider the following research findings: (a) Only 4% of HR professionals surveyed by SHRM (1998) reported that sexual harassment claims stemming from workplace romances in their organization actually led to litigation; (b) there were only 51 workplace romance–sexual harassment federal and state court cases in the United States from 1980 to 2004 (e.g., Cortes v. Valle, 2003; Oakstone v. Postmaster General, 2004; see Pierce et al., 2008, for a content-analytic review of all publicly reported cases), despite 10 million new workplace romances (Spragins, 2004) and an average of roughly 14,200 sexual harassment claims made annually in the past decade (U.S. EEOC, 2008); and (c) in 69% of the 51 romance-harassment court cases, the court did not uphold the sexual harassment claim (Pierce et al., 2008). Overall, these findings suggest it may not be best practice for HR leaders to be legal-centric by enforcing blanket organizational policies under the assumption that workplace romances inevitably lead to harassment lawsuits.

Finally, from a female participant’s perspective, workplace romances are risky because they can affect investigators’ (e.g., HR professionals’) decisions about ensuing harassment claims. Specifically, a prior history of romance between a male accused of harassment and a female complainant can lead investigators to judge the accused as less responsible and the complainant as more responsible for harassing conduct (Pierce, Aguinis, & Adams, 2000; Summers & Myklebust, 1992). Furthermore, because harassing behavior is harmful to the target and thus may be considered unethical (Bowes-Sperry & Powell, 1999; T. M. Jones, 1991; O’Leary-Kelly & Bowes-Sperry, 2001), the degree to which investigators perceive a romance-harassment scenario as unethical can also affect their judgments of responsibility and recommended actions (Pierce, Broberg, McClure, & Aguinis, 2004).

Unethical Relationships

In addition to facing the risk of sexual harassment claims, organizations risk having intact workplace romances that are potentially harmful or that may affect negatively the welfare of others. According to T. M. Jones (1991), these types of workplace romances would be perceived as unethical relationships—for example, a married supervisor who has an extramarital fling with a subordinate or a subordinate who violates a company policy by having a romantic relationship with her supervisor solely for the insincere, job-motivated purpose of benefiting her career (Mainiero, 2005). Indeed, a recent study that examined approaches to career success indicates subordinates may try to create unfair advantages for themselves by participating in a hierarchical workplace romance as a surreptitious career-advancement strategy (Harris & Ogbonna, 2006). In each example, even if the relationship does not actually harm or alter the welfare of others, the moral character of one or both employees is questionable and differs from the moral character of two unmarried peers who work in separate departments, have no on-the-job contact, and have a sincere romance that is not against company policy. Generally speaking, the most problematic unethical relationships are either extramarital or direct-reporting supervisor-subordinate romances in which sex and power can be traded. In the case of hierarchical romances, supervisors have been known to show favoritism toward their subordinates by...
providing lighter workloads, promotions, pay
raises, or other special benefits (Mainiero,
1986; Pierce et al., 1996; Powell, 2001).

**Unfair Interventions**

When management intervenes in a work-
place romance, it risks being accused of unfair
treatment. According to Foley and
Powell’s (1999) model of coworkers’ prefer-
ences for and responses to managerial inter-
ventions regarding workplace romance,
coworkers evaluate the distributive and
procedural justice of managerial interven-
tions. In distributive justice, employees
perceive the outcomes of managerial deci-
sions as fair; in procedural justice, employ-
ees perceive the process through which
managerial decisions are made as fair (Greenberg, 1987). To de-
termine whether the outcome of a managerial intervention is fair,
coworkers evaluate the congru-
ence between the severity of
their preferred managerial ac-
tion and the severity of the ac-
tual managerial action. If, for
example, a romance causes work
disruption or declines in partici-
pants’ job performance, cowork-
ers would prefer and perceive as
fair a punitive action such as a transfer. If
management ignored this problematic ro-
mance, then coworkers would perceive the
lack of intervention as distributive injus-
tice. In terms of procedural justice, cowork-
ers will perceive as fair the process by which a
managerial intervention is decided upon and communicated if (a) coworkers’ view-
points are considered, (b) the decision-
making criteria are applied consistently
across employees in the organization, (c)
coworkers receive timely feedback about
the intervention, and (d) management
explains the basis for its intervention (Foley & Powell, 1999).

Karl and Sutton (2000) examined employ-
ees’ perceptions of the fairness of several man-
agement interventions ranging in severity
from lenient to punitive (i.e., no action, man-
erginal counseling, verbal reprimand, written
warning, transfer, and termination). Their re-
sults support the following distributive justice
perspective: (a) Observers considered more
severe managerial interventions such as a
warning or transfer fair only when the couple’s
performance declined or their romance was
highly visible and disruptive, whereas (b) ob-
servers considered no managerial inter-
tervention fair only when the couple’s performance im-
proved. Overall, observers perceived having
managers counsel romance participants as the
concluded that, to be fair, management should
not intervene in a workplace romance unless it
affects negatively the couple’s job performance.
In particular, to prevent sex discrimination
claims, management should exercise caution
before relocating or terminating female ro-
mance participants. Relocating or terminating
a disproportionate number of male and female
employees can be discriminatory (Aguinis &
Smith, 2007).

**Disruptive Dissolutions**

Many workplace romances do not stand the
test of time. Thus, another risk for organiza-
tions occurs when they culminate in break-
ups at work that are disruptive to partici-
pants’ and coworkers’ job performance
Considering the prevalence of intimate part-
ner violence on work premises (O’Leary-
Kelly, Lean, Reeves, & Randel, 2008), HR
leaders should be prepared to manage retali-
ation violence (e.g., stalking, physical abuse)
that stems from soured romances. The work-
place romance studies we summarize in
Table I do not address intimate partner
violence. Nevertheless, generalizing from
O’Leary-Kelly et al.’s (2008) findings, HR
leaders should be proactive by developing
organizationally sensible plans for managing
disruptive romance dissolutions.

**Rewards of Workplace Romance**

**Sincere Long-Term Relationships**

Considering the stressful demands of their
jobs, long hours worked each week, and use
of mixed-gender work teams, it is not surprising that employees find romantic partners at work (Mainiero, 1986; Pierce et al., 1996; Powell & Foley, 1998). Contrary to popular belief, most workplace romances are sincere, love-motivated, long-term companionate or passionate relationships as opposed to short-lived flings or job-motivated utilitarian relationships (Dillard, Hale, & Segrin, 1994). Workplace romances can therefore be very rewarding, particularly for those who are fortunate to find their significant other or spouse at work.

**Enhanced Job Performance**

Since 1977, researchers have been examining whether or not workplace romances are associated with participants’ job performance (i.e., quantity and quality of work). From an organization’s perspective, the concern is that workplace romances will impede participants’ performance. To the contrary, the studies we summarize in Table I indicate that participating in a workplace romance (a) can increase or decrease one’s job performance (Quinn, 1977), (b) is not associated with one’s job performance (Dillard & Broetzmann, 1989; Pierce & Aguinis, 2003) or does not lead to performance decrements (Devine & Markiewicz, 1990; Dillard, 1987; Dillard et al., 1994), and (c) is positively associated with one’s job performance (Pierce, 1998). Taken together, these findings suggest that in some cases organizations may benefit from the performance of employees involved in workplace romances. In fact, to compensate for their relationship and manage a favorable impression, romance participants may enhance their job performance to please their supervisors (Dillard, 1987; Pierce, 1998; Pierce & Aguinis, 2003; Powell & Foley, 1998). It is important to note, however, that the studies we summarize in Table I show mixed results with respect to the association between participation in a workplace romance and participants’ job performance. The association may depend on moderator variables such as whether or not a romance is in an early stage of development that entails a temporary shift in participants’ focus away from job tasks until their romance is established (Pierce et al., 1996).

**Increased Job Satisfaction**

The extent to which employees are satisfied with their personal life is positively associated with the extent to which they are satisfied with their job (Judge & Watanabe, 1993). Hence, having a gratifying workplace romance may create an emotional “spillover effect” in which employees’ positive emotional reactions from their romance spill over on their emotional reactions to their job (Pierce, 1998). In support of this affective spillover hypothesis, research indicates that participating in a satisfying workplace romance is positively associated with one’s overall job satisfaction (Pierce & Aguinis, 2003). Thus, organizations may benefit from retaining happy workplace romance participants who are highly satisfied with their jobs.

**Increased Job Involvement and Organizational Commitment**

Employees differ with respect to their levels of job involvement or the degree to which they are cognitively preoccupied with their work. They also differ with respect to their levels of organizational commitment or the extent to which they are involved with the organization and exert effort toward achieving its goals. Because they fear retribution from their supervisors, workplace romance participants may try to manage a favorable impression by becoming more involved with their job and more committed to the organization. In support of this impression management hypothesis: (a) Love-motivated workplace romances are positively associated with female participants’ levels of job involvement (Dillard, 1987), and (b) there is a small positive association between participating in a workplace romance and one’s level of organizational commitment (Pierce & Aguinis, 2003). Hence, organizations may benefit from retaining workplace romance participants who are highly involved with their jobs and committed to the organizations’ goals.
Managing Risks and Rewards of Workplace Romance: Organizationally Sensible Recommendations

When interviewed by Yale University law professor Vicki Schultz (2003), numerous HR managers and consultants reported that workplace romances should be prohibited because of the harassment liability. Some scholars contend, however, that organizations have gone overboard in regulating employees’ sexual conduct (Clarke, 2006; Rabin-Margalioth, 2006; Schaefer & Tudor, 2001; Schultz, 2003). Organizations have traditionally adopted a cost-minded, legal-centric approach to managing workplace romances in which they focus on preventing legal risks at the expense of ignoring rewards. The studies we summarize in Table I make it evident that workplace romances entail more than just legal risks. They also involve rewards for employees and organizations such as providing sincere, long-term relationships for employees who spend much of their time at work and may perform better on the job because of their romance.

In Figure 2, we compare the traditional legal-centric approach and the recommended organizationally sensible approach in terms of their focus on minimizing risks and maximizing rewards of workplace romance. As Figure 2 indicates, the disadvantage of the legal-centric approach is its opportunity lost by ignoring benefits of workplace romance. On the flip side, the advantage of an organizationally sensible approach is that it would subsume yet go beyond minimizing the legal risks of workplace romance. For example, Fallon Worldwide, an advertising agency, is aware of the benefits of workplace romance. According to a company spokeswoman, Fallon Worldwide does not discourage workplace romances because the company has observed firsthand that they can foster a happier workforce (Herbst, 2006). Similarly, Southwest Airlines encourages workplace romances and is pleased with its matchmaking role because the romances can lead to enhanced morale and energy at work (Wylie, 2006). As discussed next, an organizationally sensible management approach should be advantageous because it is both cost- and benefit-centered and thus would focus on minimizing risks and maximizing rewards of workplace romance.

**Recommendation #1: Written Policy, Ethics Code, and a Performance Management System**

According to a SHRM survey, more than 70% of U.S. organizations do not have a written policy on workplace romance (Parks, 2006). As a first step toward managing workplace romances in an organizationally sensible manner, we recommend that HR leaders...
along with other members of top management develop and enforce a written workplace romance policy that is clearly communicated to employees. We also recommend that this policy be made part of an organization’s code of ethical conduct.

Organizations have their own value systems and codes of ethical conduct that are instilled top-down by senior executives, ethics compliance officers, and other members of upper-level management (Beu & Buckley, 2004; Brown & Treviño, 2006). Because organizations differ with respect to their values and codes of ethical conduct, what one organization considers an appropriate romance may be considered inappropriate in another. For example, same-sex workplace romances or romances between peers may be more acceptable in some organizations than in others. Most organizations strive to achieve ethical conduct among their employees (Treviño, Weaver, & Reynolds, 2006). Thus, to be organizationally sensible, HR leaders should manage workplace romances via a written policy that represents their organization’s unique value system and code of ethical conduct. To communicate an organization’s values and ethics code to employees, a written workplace romance policy should at minimum state and justify the following: (a) types of romances that are permitted or encouraged (e.g., romances between peers from different departments), (b) types of romances that are discouraged (e.g., extramarital romances), (c) types of romances that are prohibited (e.g., direct-reporting supervisor-subordinate romances), and (d) actions management will take if employees violate any of the terms in the policy. By stating in a policy that certain types of relationships are permitted or encouraged, organizations would be moving beyond the traditional legal-centric approach to managing workplace romances.

Once top management adopts and supports a written workplace romance policy, organizations should evaluate the extent to which employees comply with stipulations in the policy as part of a performance management system that entails a “continuous process of identifying, measuring, and developing the performance of individuals and teams and aligning performance with the strategic goals of the organization” (Aguinis, 2009, p. 2). For instance, consistent with an organizationally sensible management style, Sprint Nextel has benefited from focusing not only on employees’ task performance, but also on their performance on broader, contextual, organizational-level indices (Aguinis, 2009, pp. 81–84). Thus, in line with Sprint Nextel’s sensible approach that manages more than just employees’ job tasks, we recommend that HR leaders manage workplace romances as part of an organizationwide performance management system.

Finally, HR leaders should note that a clearly communicated written workplace romance policy may help to create a climate that either encourages or discourages workplace romances. Research indicates that workplace romances are more likely to occur in “hot” organizational climates where work arrangements foster social contact outside work and when organizations do not punish romance participants (Mano & Gabriel, 2006). Alternatively, some organizations have “cold” climates in which ethics codes place restrictions on workplace romance (e.g., romances prohibited between employees in the same department) (Parks, 2006; SHRM, 2002). The bottom line is that via policy stipulations that extend beyond being only legal-centric, HR leaders along with other members of top management can create the type of workplace romance climate that is sensible for their organization.

Recommendation #2: Cost Management

Earlier, we reviewed the following four risks associated with workplace romance: (1) an organization’s liability for sexual harassment, (2) unethical relationships, (3) unfair management interventions, and (4) disruptive dissolutions. To minimize the risk of liability for harassment, we recommend that organizations prohibit direct-reporting
supervisor-subordinate romances and romances between senior-level executives and lower-level employees because of their increased potential for favoritism, exploitation, and sex discrimination. Anderson and Fisher (1991), Brown and Allgeier (1996), Dillard et al. (1994), G. E. Jones (1999), and Powell (2001) conducted studies that point to problems associated with these types of hierarchical relationships in which sex and power can be traded (Mainiero, 1986). For example, they can entail subordinates’ insincere, job-related romance motives (e.g., desire for a promotion or pay raise). Moreover, romances between executives and employees can damage a company’s reputation because of the negative publicity (e.g., “CEO of Boeing resigns,” 2005).

An organization’s liability for sexual harassment is not the only risk associated with workplace romance. Thus, the traditional legal-centric approach that focuses primarily on harassment liability will be deficient with respect to managing other risks. For example, to minimize the risk of having unethical relationships develop while also avoiding marital status discrimination claims, we recommend that organizations discourage rather than prohibit extramarital workplace romances in their written workplace romance policy. Brown and Allgeier (1996), G. E. Jones (1999), and Pierce et al. (2004) conducted studies that point to problems associated with extramarital workplace romances. For example, when coworkers evaluate the appropriateness of workplace romances in their workgroup, they place great emphasis on whether the romance participants are married to someone else. The potential for lowered morale, reduced team cohesion, and work disruption increases when coworkers perceive a workplace romance negatively because it is extramarital and thus unethical.

We recommend that organizations only intervene in workplace romances when they cause declines in participants’ job performance or cause work disruption. Further, when management intervenes, their action(s) should be tied directly to romance participants’ job performance and the functioning of their workgroup (Brown & Allgeier, 1995). In terms of the perceived fairness of interventions, Karl and Sutton’s study (2000) indicates that (a) punitive action is fair when there are declines in romance participants’ job performance, (b) no action is fair when there are increases in romance participants’ job performance, and (c) having managers counsel romance participants is the most fair action taken in an intervention.

As an alternative intervention, some organizations have employees sign a consensual relationship agreement (a.k.a., a “love contract” or “cupid contract”) (Eidelhoch & Russell, 1998). When two employees sign a consensual relationship agreement, they each acknowledge the following: (a) Their workplace romance is consensual, voluntary, welcome, and unrelated to their professional relationship at work; and (b) each employee is free to end the romance at any time without coercion, prejudice, or any job-related consequences. Unfortunately, no published scientific studies have empirically examined the advantages and disadvantages of having employees sign a consensual relationship agreement (Pierce & Aguinis, 2001). Nevertheless, there is disagreement as to whether consensual relationship agreements should be used. Some argue that they are legal overkill because they merely shield employers from harassment liability, invade employees’ privacy, and destroy employee morale (e.g., Hansen, 1998; Schaefer & Tudor, 2001). In contrast, others argue that consensual relationship agreements are beneficial because they help prevent problems for an organization when
a workplace romance dissolves (e.g., Eidelhoch & Russell, 1998; Gregg, 2004; Tyler, 2008; Wilson, Filosa, & Fennel, 2003). It is debatable whether consensual relationship agreements are legal-centric or, alternatively, whether they can be used in an organizationally sensible manner to manage risks and rewards of workplace romance strategically.

For example, to minimize the risk of disruptive romance dissolutions, organizations could have romance participants sign a consensual relationship agreement that stipulates congenial terms and conditions each employee must abide by should the romance dissolve. Examples of congenial terms and conditions could include no arguments or messy break-ups at work, no displays of negative emotions (e.g., anger, resentment, jealousy) at work, no displays of violence (e.g., stalking, physical abuse) at work, a willingness to be relocated, a willingness to be repeatedly informed about the organization’s romance and harassment policies, and a willingness to be removed from work premises if employees’ safety becomes threatened.

The challenge for HR leaders when managing risks of workplace romance is balancing employers’ liability for harassment against employees’ rights to privacy (Gregg, 2004; Paul & Townsend, 1998; Wilson et al., 2003). If, for example, employers do not have a workplace romance policy that forbids direct-reporting supervisor-subordinate romances, then they leave themselves vulnerable to sex discrimination lawsuits. On the other hand, if employers intervene prematurely in a workplace romance (e.g., before it causes job performance decrements) or use unnecessary surveillance and intrusion tactics, then they could face a lawsuit per employees’ constitutional right to privacy or, in some states, common law protection for privacy (Hoffman, Clinebell, & Kilpatrick, 1997; Wilson et al., 2003; Wolkenbreit, 1997).

Also with regard to employees’ privacy rights, HR leaders must exercise caution when managing paired employees (i.e., married couples) (Moen & Sweet, 2002; Werbel & Hames, 1992, 1996). In some states, employers who prohibit joint employment of spouses via an antinepotism policy or no-spouse rule leave themselves vulnerable to a marital status discrimination lawsuit (Massengill, 1997). To prevent privacy lawsuits, companies such as Apple, AT&T, Ben & Jerry’s, CNN, DuPont, S. C. Johnson Wax, and Southwest Airlines allow joint employment of spouses (Wolkenbreit, 1997).

Recommendation #3: Benefit Management

Previously, we reviewed the following four rewards of workplace romance: (1) sincere long-term relationships, (2) enhanced job performance, (3) increased job satisfaction, and (4) increased job involvement and organizational commitment. To move beyond a legal-centric approach and maximize the likelihood that workplace romances will lead to benefits for participants, organizational members, and the organization in general, we recommend that organizations permit romances between power-balanced employees—that is, employees who have equal rank or who have an indirect-reporting hierarchical relationship. Because of their power imbalance, direct-reporting hierarchical relationships often open the door for insincere, job-motivated, utilitarian romances.

To confirm that workplace romances are beneficial with respect to participants’ ongoing levels of job satisfaction, job involvement, organizational commitment, and, in turn, their job performance, we recommend that organizations monitor workplace romances regularly as part of a performance management system (Aguinis, 2009). Specifically, HR leaders should measure employees’ levels of satisfaction, involvement, commitment, and performance to confirm that these factors are positively associated with their participation in a workplace romance. Nonproprietary measures of satisfaction, involvement, commitment, performance, and workplace romance participation are available (see Pierce, 1998; Pierce & Aguinis, 2003) and could be included in an employee survey. To move beyond a legal-centric practice, HR
leaders could use the survey results to provide romance participants (or all employees) with developmental feedback regarding their work-related emotions, cognition, attitudes, and performance. In addition, the survey results could be used to prevent unfair management interventions (e.g., punitive action) in cases where there are no deficiencies in romance participants’ job performance.

HR professionals should note that during the initial stages of a workplace romance, participants may show slight decreases in job performance because of their focus on developing a relationship. Once the relationship develops, however, employees typically redirect their focus back to their job and thus performance increases (Pierce et al., 1996). Recall that studies indicate participating in a workplace romance is typically either positively associated or not associated with one’s job performance (Devine & Markiewicz, 1990; Dillard, 1987; Dillard & Broetzmann, 1989; Dillard et al., 1994; Pierce, 1998; Pierce & Aguinis, 2003; Quinn, 1977). Given these findings, we recommend that HR leaders manage the positive aspects of workplace romance proactively. For example, organizations could benefit from strategically recruiting, selecting, training, and retaining paired employees (i.e., married couples) (Werbel & Hames, 1992) who have a record of excellent performance in other organizations. Similarly, as part of a new type of referral program, organizations could recruit and hire existing employees’ romantic partners. While it may seem risky, HR leaders can take comfort in knowing that companies such as AT&T, DuPont, and Southwest Airlines have long been successfully employing paired couples (Wolkenbreit, 1997).

Another way for HR leaders to be proactive is to consider using workplace romance coaches. Employees who have participated in a rewarding workplace romance could serve as role models and coach other employees on how to have a beneficial romantic relationship at work.

**Recommendation #4: Training HR Leaders**

Surprisingly, most HR professionals lack training on how to manage workplace romances (SHRM, 1998, 2002). Training HR leaders to manage workplace romances using an organizationally sensible approach is likely to result in tangible benefits for romance participants, their peers and managers, and their organizations (Aguinis & Kraiger, 2009). In support of the need for organizations to adopt a broader and more strategic management approach, the studies we summarize in Table I reveal training needs for HR leaders that include yet extend beyond legal issues.

First, HR leaders should be trained on how to counsel employees who participate in workplace romances. HR professionals often take no action in response to workplace romances (Pierce et al., 1996). However, from a social justice perspective, it can be unfair to coworkers to ignore a workplace romance, especially if it is causing work disruption or performance decrements. According to Karl and Sutton’s (2000) findings, employees perceive having managers counsel romance participants as a more fair intervention than no action, verbal reprimand, written warning, transfer, or termination.

Second, HR leaders should be trained on how to manage risks and rewards of workplace romance as part of a performance management system (Aguinis, 2009). Part of this training could entail instructing HR professionals on how to develop, administer, and interpret results of surveys that measure employees’ levels of job satisfaction, job involvement, organizational commitment, and job performance to confirm that these factors are positively associated with their participation in a workplace romance. HR professionals could also administer the surveys to coworkers to assess whether merely observing workplace romances is associated with their satisfaction, involvement, commitment, and performance levels.

Finally, HR leaders should be trained on how to respond to harassment complaints...
that stem from a prior romance between the alleged harasser and complainant. Summers and Myklebust (1992) and Pierce et al. (2000, 2004) conducted studies that suggest a prior romance can affect HR leaders’ responses to a harassment claim. For example, a prior romance between a male accused of harassment and a female complainant can lead investigators to judge the male as less responsible and the female as more responsible for the harassment. HR leaders should thus be trained to avoid the biasing effects of a prior romance and instead focus on the alleged harassing conduct. Moreover, HR professionals should inform female employees of the potential risks involved in a workplace romance.

Conclusion

We encourage HR leaders to think more broadly and strategically about managing workplace romances. The empirical evidence accumulated thus far suggests it may not be best practice for organizations to manage workplace romances using a cost-minded, legal-centric approach in which they sanitize the workplace for sexual relationships. By being overly concerned about sex discrimination lawsuits, organizations have gone overboard in regulating workplace romance and, consequently, may have undermined their valuable human resources (Clarke, 2006; Rabin-Margalioth, 2006; Schaefer & Tudor, 2001; Schultz, 2003). Instead, the scientific studies conducted thus far suggest it will be best practice for HR leaders to implement the organizationally sensible guidelines for managing workplace romances that we provide. Adopting these sensible cost- and benefit-centered guidelines would provide a value-added, balanced focus on managing risks and rewards of workplace romance.

In closing, HR leaders should be at the heart of managing workplace romances by taking ownership of and accountability for the challenging task of managing risks and rewards of workplace romances. To do this, they need to have core competencies such as the ability to deliver results with integrity, share information with stakeholders, build relationships with trust, and practice HR with an attitude—that is, they need to shift their role from operational executor to credible activist (Grossman, 2007). By being credible activists, HR leaders would gain the respect, admiration, and power needed to manage workplace romances in an organizationally sensible manner.

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