



Marsha Ambroise

Personal Relationships in the Workplace

April 30, 2026

Mission of Pro Bono Partnership of Atlanta

To provide free legal assistance to community-based nonprofits that serve low-income or disadvantaged individuals.

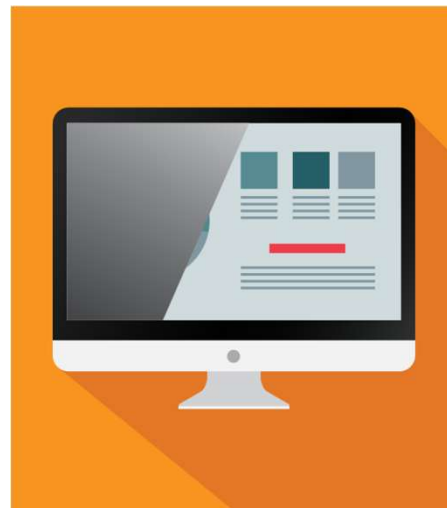
We match eligible organizations with volunteer lawyers from the leading corporations and law firms in Atlanta who can assist nonprofits with their business law matters.

PBPA Learning Center for Georgia Nonprofits

www.pbpatl.org/resources

ARTICLES

WORKSHOPS



WEBCASTS

PODCASTS

Client Criteria

In order to be a client of Pro Bono Partnership of Atlanta, an organization must:

- Be a 501(c)(3) nonprofit.
- Be located in or serve the greater Atlanta area.
- Serve low-income or disadvantaged individuals.
- Be unable to afford legal services.
- Employ at least one paid staff person.

Visit our website at www.pbpatl.org to apply.

Legal Information

This webinar presents general guidelines for Georgia nonprofit organizations and should not be construed as legal advice. Always consult an attorney to address your particular situation.

© 2026. Pro Bono Partnership of Atlanta, Inc.

All rights reserved. No further use, copying, dissemination, distribution or publication is permitted without express written permission of Pro Bono Partnership of Atlanta.

Agenda

01 The Landscape

How common are workplace relationships — and why they matter legally

02 Office Romances

Legal framework, power dynamics, supervisor-subordinate risks

03 Policy Options

Disclosure requirements, love contracts, non-fraternization policies

04 Family Hiring & Nepotism

What's legal, what's risky, and when it crosses the line

05 Best Practices

Building a holistic policy and culture of accountability

QUICK POLL

Does your organization have a written policy on workplace relationships?

A Yes — we have a complete policy

B Somewhat — but it is informal or partial

C We are working on one

D No formal policy exists

WHY THIS MATTERS TO YOUR ORGANIZATION

A Supervisor & Supervisee Breakup. A \$75,000 Lesson.

At a small company, a male supervisor dated a female subordinate for a year. The company was unaware of this relationship. The subordinate requested to be transferred, and it was granted.

A sexual harassment and retaliation lawsuit followed. The settlement: \$75,000.

The relationship was legal. However, the power dynamics embedded in it was not.

In the next 45 minutes, you will learn ways to prevent this at your organization.

The Landscape: Personal Relationships at Work

60%+

of adults have had a workplace romance at some point in their careers

Source: [2026 Forbes articles](#)

42%

of employers have a clear dating or relationship policy

Source: [2024 Society for Human Resources Management Article](#)

- Most of us spend more time at work than we do doing just about anything else. So it matters, a lot, whether people actually feel connected to the colleagues and leaders around them.
- When those workplace relationships are strong, you see it in the results: people are more satisfied in their roles, teams work better together, and productivity follows.
- But where there are relationships, there is also risk. And when workplace relationships break down or cross lines, the consequences for individuals and organizations can be significant.

Which Relationships Create the Most Risk?

HIGH RISK	MODERATE RISK	HIGH RISK
Supervisor–Subordinate	Peer Romances	Family Hiring / Nepotism
<ul style="list-style-type: none"> • Power imbalance creates inherent coercion concerns • Most common trigger for harassment and retaliation claims • Favoritism undermines team morale • Board-level scrutiny for executives 	<ul style="list-style-type: none"> • Lower direct legal exposure — but still significant • Breakups can create hostile work environment claims • Third parties may claim harassment if favoritism is visible • Confidentiality and conflict-of-interest risks remain 	<ul style="list-style-type: none"> • Can trigger Title VII claims if protected groups are disadvantaged • Creates real and perceived conflicts of interest • Erodes morale and merit culture • Heightened scrutiny in nonprofits

Office Romances: The Legal Framework

Romantic relationships at work are not per se unlawful — but become a legal minefield the moment a power imbalance, a breakup, or a complaint enters the picture.

- **Title VII (Civil Rights Act, 1964):** Prohibits sex-based discrimination and sexual harassment. A supervisor-subordinate romance can become a harassment claim if it creates a hostile work environment or if others perceive favoritism.
- **Quid Pro Quo Harassment:** When employment benefits, such as raises, promotions, or continued employment, are conditioned on romantic or sexual participation. Even a terminated relationship can give rise to this claim retroactively. (*Keeton v. Flying J*)
- **Hostile Work Environment:** Third parties who witness favoritism, PDA, or the fallout of a soured relationship can file claims even without direct involvement.
- **Retaliation (Title VII / EEOC):** If an employee is disciplined, demoted, or terminated after ending a relationship or filing a complaint, retaliation claims often follow — and are easier to prove.

The Executive Exposure

For board members and C-suite executives, personal relationships with employees can raise fiduciary concerns and grounds for termination for cause.

SCENARIO

What Would You Do?

Your development director just told you she has been in a relationship with the major gifts officer who reports directly to her. They have been together for six months. They say it is serious.

What does your policy require you to do next?

A

Terminate the development director, or issue a formal written warning to both employees

B

Have both parties sign a relationship disclosure or consensual relationship agreement

C

We do not have a policy that covers this

D

Document the disclosure and monitor the situation

Discussion Takeaway

The relationship is not necessarily the problem. The absence of a structured response is. A good policy tells you exactly what to do — disclose, document, restructure reporting, and in some cases require a relationship agreement. Without it, you are making it up in real time, and that is where organizations get into trouble.

QUICK POLL

Which best describes your organization's current approach to workplace relationships?

Drop A, B, C, or D in the chat — we'll use this to frame the next section

A Total ban — no workplace relationships

B Targeted prohibition (supervisors only)

C Disclosure-based policy

D No formal policy

Policy Options: Office Romances

1

Total Ban / No-Fraternization

PRO: Maximum liability protection on paper | CON: Hard to enforce; drives relationships underground; may harm morale; blanket bans not always legally advisable

2

Targeted Prohibition (Supervisors Only)

PRO: Addresses highest-risk dynamic without over-regulating | CON: Requires clear definition of authority; enforcement gaps if reporting lines are indirect

3

Mandatory Disclosure + Conflict Management

PRO: Allows relationships while enabling employer to manage conflicts; supports merit-based outcomes | CON: Requires consistent follow-through

4

Consensual Relationship Agreements ("Love Contracts")

PRO: Documents consent; provides evidence both parties understand harassment policy | CON: Not a silver bullet — courts still look at conduct, not just the contract

Family Hiring & Nepotism

QUICK POLL

Has your organization ever hired or worked with a family member of a current employee, board member, or executive?

A Yes, and we handled it case by case

B Yes, and we have a formal policy that guided the process

C Not to my knowledge. We do not have a policy if it happened

D No, and we have a policy specifically prohibiting it

Family Hiring & Nepotism

Generally Legal (Private Sector)

- No federal statute explicitly prohibits nepotism in private employment
- Permissible when done transparently and without direct supervision of relatives
- Courts recognize a legitimate business interest in family continuity in closely held businesses
- Approx. 1 in 3 Americans work for a parent's employer at least once by age 30 (Harvard)

When It Becomes a Legal Problem

- Title VII exposure if family hiring consistently disadvantages a protected class (race, sex, national origin)
- Can establish a discriminatory pattern
- Hostile work environment or constructive discharge claims from affected colleagues
- Heightened nonprofit exposure: IRS, board governance, and state charity laws impose additional obligations

Nepotism: Organizational & Cultural Risks

\$700K

Settlement where nepotism was applied and another employee filed a lawsuit

Morale & Retention

Employees who see advancement hinge on family ties disengage. Top performers exit when they lose confidence in fairness.

Accountability Gaps

Family members may be shielded from performance management, creating inconsistent standards and disparate treatment exposure.

Conflict of Interest

A supervisor evaluating a family member faces an inherent conflict in compensation, discipline, promotion, and termination decisions.

Nonprofit-Specific Risks

Boards owe fiduciary duties to the mission. Family hiring without proper governance can jeopardize tax-exempt status and public trust.

The nepotism wasn't illegal. The gender and age bias alleged in the suit was.

Conflicts of Interest & Confidentiality Risks

Conflicts of Interest

- Any relationship where one party can influence the other's pay, promotion, discipline, or assignments creates a conflict
- Extends beyond direct reporting lines — includes project allocation, client assignment, vendor selection
- Even the appearance of a conflict, if unmanaged, can damage reputation and erode donor trust

Confidentiality Risks

- Romantic partners and family members may share sensitive personnel information — compensation, discipline, HR investigations
- An HR professional dating a colleague is a textbook example: access to personnel files creates immediate exposure
- Improper disclosure can give rise to claims under state privacy laws, breach of fiduciary duty, and ethics violations
- Policies should require employees in sensitive roles to recuse from matters involving their partners or relatives

Anti-Nepotism: Best Practices

1

Define "Family Member" Broadly

Include spouses, domestic partners, parents, siblings, children, in-laws, and household members.

2

Prohibit Supervisory Authority Over Relatives

No family member, including board members and volunteers in decision-making roles, may supervise, evaluate, discipline, or influence the compensation of a relative.

3

Require Disclosure of Family Relationships

Notify HR when a family relationship develops, including when two employees marry. Extend this requirement to board members and key volunteers.

4

Exclude from Hiring Decisions Involving Relatives

Family members must be fully recused from all stages of recruiting, interviewing, and selecting relatives.

5

Ensure Transparent, Merit-Based Processes

Post positions publicly. Use standardized criteria. **Document decisions at every stage.** Transparency is your best defense if a decision is ever challenged.

6

Train Managers & Enforce Consistently

An unenforced policy creates its own liability. It signals that leadership knew the standard and chose not to follow it. Hold board members and executives to the same standard as frontline staff.

Building a Relationships Policy

What Your Policy Must Include

- Clear scope: romantic, familial, close friendships in authority
- Mandatory disclosure requirement with confidential process
- Prohibition on supervisory authority between parties in a personal relationship
- Conflict management process: reassignment, reporting line changes
- Consensual relationship agreement template for supervisor disclosures
- Anti-harassment, anti-retaliation, and complaint procedures cross-referenced
- Training requirements and enforcement mechanism
- Regular policy review and update process

Common Policy Mistakes

- Blanket bans without exception are difficult to enforce and can create issues
- Vague language that employees can ignore without clear consequence
- Siloed policies: dating policy here, harassment policy there. These should be integrated
- Failing to update when two employees form a relationship after hiring
- Inconsistent enforcement — holding staff to rules executives ignore

Real-World Strategies: Training, Culture & Response

Training	Culture	When It Goes Wrong
<ul style="list-style-type: none">• Supervisor-specific training on recognizing conduct related to personal relationships• Scenario-based training: realistic examples including post-breakup hostility and favoritism• Train on the disclosure process so employees know how and to whom to report	<ul style="list-style-type: none">• Leadership sets the tone. Executives must be held to same or higher standard• Multiple, accessible complaint channels that is not just the direct manager• Normalize disclosure by removing stigma: disclosure protects everyone• Reward transparency; don't punish employees who come forward proactively	<ul style="list-style-type: none">• Investigate promptly and impartially. Don't assume it's a "personal matter"• Document everything: the complaint, investigation steps, findings, and action taken• Separate the parties when needed. Ensure reassignments don't become constructive discharge• Avoid the retaliation trap: scrutinize any adverse action near the time of a complaint

For Tax-Exempt Organizations

Private Benefit or Inurement

Best Practice:

Benchmark compensation of family hires and follow your conflict of interest policy

Key Takeaways

1

Relationships are inevitable. You can't prevent them, but you can manage them.

2

Power imbalances are the highest-risk scenario. Supervisor–subordinate relationships require structural intervention.

3

Nepotism isn't illegal, but its consequences often are. Structure protects you.

4

Disclosure is your primary risk management tool. Encourage it. Protect it.

5

Train, document, and enforce consistently. Inconsistent enforcement is worse than no policy.

6

When something goes wrong, respond — don't retreat. A prompt investigation is your best defense.

7

Benchmark the salary / compensation for any family hire.

YOUR ACTION THIS WEEK

Leave today with one concrete next step.

1

Pull Up Your Employee Handbook This Week

Open it and review it before your next board meeting or before your next hire.

2

Look for These Three Things

A disclosure requirement for personal relationships. A prohibition on supervisory authority between parties in a personal relationship. A cross-reference to your anti-harassment policy. All three should be present and integrated.

3

If Any Are Missing — That Is Your Starting Point

You do not need to overhaul your entire handbook. Seek assistance from PBPA to help those gaps.

Questions?

Pro Bono Partnership of Atlanta
www.pbpatl.org

As a nonprofit ourselves, PBPA relies on donors to continue providing free legal assistance to organizations like yours. If you're able to give, please consider donating to help us keep serving Georgia's nonprofits.