



Spring Is In The Air! But Telling Your Employees You Love Them Could Cost You \$5 Million

Insights

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19th-century British poet Alfred Tennyson once said, “In the Spring, a young man’s fancy lightly turns to thoughts of love.” And while you might hold a certain amount of affection for your employees this time of year and want to show them how much you care, you might want to refrain from saying “I love you” to them. That’s because an employer who did just that, and encouraged its workforce to share the same sentiments with coworkers on a regular basis, learned the hard way that such comments are not necessarily appropriate for the workplace.

Just last week, a federal jury in New York delivered a \$5 million verdict against that employer in part because of this peculiar workplace practice. Read on to learn more about what happened and to avoid falling into the same trap this spring.

Employer Introduces “Onionhead” To Its Workforce

Cost Containment Group (CCG) is an organization based in Syosset, New York that operates several affiliate companies in the field of healthcare support. In 2007, the CEO of the organization decided that his workforce could use improvement in the areas of communication and teamwork, and retained a consultant to assist with this project.

The consultant he hired, Linda “Denali” Jordan, also happened to be his aunt. Denali is the founder of Harnessing Happiness, a program that features the cartoon character “Onionhead.” According to CCG, the Onionhead character is a communication strategy tool designed to improve workplace interactions. According to the Equal Employment Opportunity Commission (EEOC), Onionhead is a religious practice foisted upon an unwitting workforce.

In legal filings, the EEOC stated that Denali diagnosed the workplace as having “disharmony” with a high number of “young people with cancer” when first arrived at CCG. She set out to change the atmosphere by creating camaraderie and a “unification in the people.” At first she consulted once in a while, but by 2008 she was in the office every month or two. Besides interviewing applicants, training staff, designing company goals, and consulting on management matters, she began to implement the Harnessing Happiness model through its main character, Onionhead.

“I Love You” And More

One of the primary tenants of the program was that employees were required to say “I love you” when speaking to each other because, according to Denali, everyone was a part of one family.

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However, that was not the only unusual practice put into place by CCG. According to the EEOC:

- Workers were instructed to select one playing card from a deck of “Universal Truths” cards each day to “shed Light” upon them and “reunite them with the ecstatic Universal Realm.” The cards contained messages designed to “connect us to ancient knowledge,” bringing them “closer to divinity and further from darkness.”
- During a weekend company retreat, workers were instructed to recite from “angel cards” and participate in late-night praying and chanting sessions until 1:30 a.m.
- Denali’s emails were off-putting to some workers, as she discussed topics such as “energetic force fields of spirit” and “our universal consciousness joining with other sun universes.”
- CCG installed Buddha and angel statues, hung spiritual posters, lit candles, burned incense, and played spiritual music around the office. A utility closet became a resource library, complete with religious books, statues, and a trickling waterfall “where angels could dwell.”
- CCG instructed employees to shut off the office’s fluorescent lamps and instead work by desk lamp, explaining that “demons” could enter through overhead lights and “fry” their brains.

The EEOC became involved when some workers complained that the Onionhead practice was actually a religion that was being forced upon them, causing several of them to lose their jobs. The EEOC claimed that even nondenominational, new-age type programs can be religions under Title VII if they are steeped in “matters of the spirit.” CCG denied this accusation, pointing out that the Onionhead practice is not a religion because it does not address fundamental and ultimate questions regarding deep and imponderable matters, does not contain any formal or external religious signs, and includes no formal services, prayers, or ceremonial functions.

Some Workers Did Not Love Onionhead

The distinction between religious practice and corporate communication strategy is important because several employees alleged they were mistreated for not following the Onionhead practice. If the new program introduced to the workers was considered a religion, the employer could face legal liability. However, if the program was simply a corporate strategy, those who chose not to follow it would not necessarily be protected under the law.

One employee, Sandra Benedict, worked remotely from her home in New Jersey. She claims that Denali told her in 2010 that the Universe had sent her a message that Benedict needed to move her family to Long Island to be closer to the office. When Benedict refused, she alleged that CCG terminated her immediately and that Denali warned her that she would be damned to hell if she applied for unemployment.

Another employee, Jennifer Honohan, actively resisted Onionhead by not turning off the overhead lights, avoiding group meetings, and refusing to give Denali a picture of her children to hang in Denali’s office alongside other members of the workplace “family.” In 2012, Denali sent an email to staff talking about a planetary alignment occurring that coming Friday that would be the “beginning

of a new era, an era of truth or consequences.” Honohan feared that Denali was referring to ridding the workplace of those, like her, who didn’t believe or practice Onionhead. Sure enough, CCG terminated Honohan that same Friday.

Two account managers, Elizabeth Otaneda and Francine Pennisi, confronted Denali and informed her that they did not want to be involved in Onionhead because of their own religious views. The workers claim that they were then expelled from their private office and forced to share a less desirable workspace, and that at one point, Denali stared at them while saying, “the demons must be so angry right now.”

Legal Battle Led To Large Verdict

In 2014, the EEOC filed a Title VII claim in federal court against CCG alleging religious discrimination on behalf of a group of employees. The EEOC claimed that CCG violated the antidiscrimination law by imposing the Onionhead belief systems on its workers, subjecting workers to an unwelcome religious environment, terminating several workers based on their religious beliefs, failing to accommodate those employees who did not want to participate in Onionhead, and retaliating against those who opposed the practice.

CCG denied the allegations and aggressively defended its actions. Not only did it claim that Onionhead is not a religion, it claimed that it had legitimate reasons for terminating the at-will workers (including insubordination, falsifying sick leave, obsolescence, incompetence, failure to report an absence, etc.) and that several of them quit of their own accord and cannot sustain a legal claim.

After nearly four years of litigation, and a three-week jury trial in a Brooklyn courtroom, the dispute culminated with the April 25 verdict. According to the EEOC, the jury unanimously concluded that the employer coerced 10 employees to engage in religious practices at work and created a hostile work environment for nine of them. The jury also found CCG violated federal law by firing one employee who opposed such practices. The jury awarded a total of \$5.1 million for compensatory and punitive damages, but, according to Law360.com, the defendants have indicated they will seek a reduction of the verdict through post-trial motions.

Lessons To Be Learned

The first lesson to be learned from this case is to avoid the temptation to tell your employees that you love them this spring. Sure, you should let them know how much you value them, and how much you enjoy having them on your team, but professing your love could lead to problems. Even more importantly, you should avoid instructing your employees to verbalize their love for each other, as that could be interpreted the wrong way.

This case also teaches that you need to draw a line between personal philosophies and company teamwork strategies. Even if you don’t believe you will be accused of running a cult or a new-age religion, it’s always problematic when you are perceived as interfering with an employee’s belief system or personal values and viewpoints.

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If you have any questions about this case, or how it may affect your business, please contact your Fisher Phillips attorney.

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