

Leadership should not invite personal indulgence, most particularly when it involves abuse of power.

Story Fiona Smith, Fiona Carruthers and Catherine Fox

Everyone knows. No one tells. The big man vanquishes all opposition for the top job and casts about for the sexual spoils that come with the role. It matters not that he is married, he turns a blind eye to fidelity, tosses aside his stated commitment to values and ethics, and prowls about the young and beautiful women who serve him.

In medieval times, it was called the *droit de seigneur*. It was a notion that lords had the right to bed the brides of their vassals.

However, historians assert that this "right" is a myth, perhaps a case of wishful thinking by men who gained power, but lost their youth, virility and natural charm.

But some modern men seem to persist in the notion of some sort of entitlement – even to the point of forcefully pursuing the "conquest". When this happens, plain old sleaze and infidelity becomes sexual harassment and assault.

Just about everyone agreed that former David Jones chief executive Mark McInnes had it all. Looks, money, power and position ... and an attractive partner.

This has been used to explain why he behaved inappropriately and it cost him his job. But, in many ways, it could also make his actions seem even less understandable. Why would a man who socialised with (and apparently had little trouble charming) women need to approach a young employee whom he couldn't have known very well?

This behaviour is not in the same category as the illicit office affair, where a senior married man has an affair with, and often marries, his PA (and there are plenty of Australian chief executives in that category). Such affairs are conducted between mutually consenting adults.

In the DJs case, the incidents occurred at work functions. On each occasion, the advances were instigated by the chief executive and unwelcome.

The answer may lie in the sort of narcissistic personality often demonstrated by top executives – a disorder that can help rather than hamper ambitious people striving to get to the top, according to clinical psychologist Albert Bernstein. Narcissism is not just about loving yourself but total self-absorption, he writes in his 2009 book *Am I the Only Sane One Working Here?*

"What bothers people most about narcissists is their attitude of entitlement, the belief that their accomplishments place them above the rules. Unlike the rest of us, they don't wait, they don't take turns ... they aren't the least bit ashamed of using the system or the people around them for their personal gain. Narcissists break the golden rule without so much as a thought.

"They may be masters of the world and captains of industry, but when it comes to empathy, they are infants. Like babies, they are at the



Some men seem to persist in the notion of a sort of entitlement. Photo Nic Walker

SEX does not come with the job

centre of their own universe, the rest of the world exists only to meet their needs." This could help explain how a successful business executive, familiar with complex strategic issues and long-term planning, fails to consider the consequences of his behaviour, or assumes there will be none.

Examples of powerful men forcing their sexual attentions on women who work for them are not uncommon. More than 28 per cent of women have experienced sexual harassment at work, according to a poll by the Australian Human Rights Commission. Seven per cent of men have made the same complaint.

But even these figures understate the extent of the problem, says the president of the Australian Human Resources Institute, Peter Wilson, who has held senior executive roles in the banking, packaging and energy industries. "I think it is much greater than that. I think it is a latent cancer," he says.

Forums held last year by his organisation found that all the women who took part had been made aware of a case of sexual harassment and half of them had experienced it. Wilson says men often say in their defence that they thought they were developing a normal relationship with the woman who accused them of inappropriate behaviour.

"But when you break that down, a normal relationship starts with mutual attraction, romance and then consenting acts of intimacy.

"In harassment, the attraction is rather precarious, romance is irrelevant and intimacy consists of how far you can push this and get away with it," he says.

Wilson says complaints of sexual harassment can be difficult to manage, especially if it comes down to who you believe. Harassers are

often careful to ensure there are no witnesses to their actions.

But the problem becomes even more tricky when it involves leaders. "It is an extremely difficult situation when the perpetrator is at the most senior levels – they are also meant to be the trustees and ultimate arbiters of the values and ethics of the company," he says.

Even among consenting adults, relationships between leaders and their subordinates are generally viewed as unacceptable, he says.

Accepted protocols for handling this kind of romance include making it public as soon as possible "so that people don't find out about it by glances and the rumour mill", and ensuring others will not be disadvantaged by any favouritism

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shown to the lover. This may mean one of the couple has to be moved.

Wilson says the best practice handling of sexual harassment complaints is to integrate them with whistleblowing, where an external agency is appointed to receive and handle the matter.

"It is normally an arm's length independent process," he says.

It is meant to ensure a level of confidentiality and prevent a conflict of interest, which can arise when an employee is investigating a complaint that could damage the organisation – or involves someone higher up in the hierarchy.

David Jones has an employee hotline, but it is under review since it failed to alert the board to McInnes's behaviour.

The issue of confidentiality is now moot. Unfortunately, the 25-year-old complainant's name was leaked to the press, her photo has been published and even her home address can probably be identified by the printing of the suburb in which she lives and a description of her apartment block.

As a result, a young woman who had the uncommon courage to make a formal complaint has been unceremoniously hung out to dry. She has taken leave from her job, and fled her home.

Even with assurances from her employer that her career is safe, she will be marked as the woman whose complaint brought down one of the most high-profile and successful chief executives in Australia. It is no wonder that most women in her position keep quiet, find a new job or try to find a non-confrontational way to handle the problem.

Wilson says the underlying reason sexual harassment is so prevalent in Australian workplaces is the "boys' club" which has kept women out of leadership positions.

"We are more blokey than other OECD countries," he says. "50.1 per cent of the population have their foot on the throat of 99 per cent of the interesting jobs in Australian business."

Gadens Lawyers partner Jane Seymour says David Jones's decision to go public and to hold an inquiry marks an admirable departure from the way corporations have handled such cases in the past. "DJs approach is quite unprecedented. For them to go public ... is a step towards indicating they are very serious about changing the culture."

Seymour says an important first step for all companies wishing to learn from the retailer's unsavoury experience is to interrogate their

culture and "unpack" workplace behaviours. "It's not about being the fun police," she says. "And not all a company's problems can be put down to 'boys' clubs'. I would define typical 'boys' club' stuff as any form of sexualised behaviour, jokes of a sexual nature, innuendo, making comments on the appearance of female workers – or males for that matter."

Seymour, who conducts workplace training, says she tells clients to think about how their behaviour and comments might impact on people of a different gender, race or religious belief.

"That is usually enough to get people re-evaluating their behaviour," she says.

A partner at Truman Hoyle law firm specialising in employment and industrial law, Fiona Inverarity, argues the most effective way to finally bust up the famed "boys' club rules" is to promote more women.

"It's truly the only way things will change," she says. "We have to start on women on company boards – currently only 8.6 per cent of board members of the top 200 companies are women."

She argues that as of Thursday's announcement of Julia Gillard as the country's Prime Minister, "women now have the perfect comeback: If a woman is good enough to run the country, she's good enough to run a company".

Inverarity, among other lawyers, advocates changes to employment law to protect whistleblowers. At present, the Corporations Law protects whistleblowers from victimisation, but there is no parallel in the Employment Law for those speaking out against bullying or sexual harassment.

"Whistleblowers need that protective mechanism enshrined in the employment law," she says.