



# THE SUNDAY TIMES

## One careless McFling by Steve Easterbrook and the office romance has had its chips

*McDonald's sacked its boss for not declaring a relationship with an employee. Now strict US rules on affairs at work are coming here*

John Arlidge - The Sunday Times  
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Romance was in the air for Tim and Dawn in *The Office* BBC

[Steve Easterbrook made it big in America](#) by bringing a little Britishness to McDonald's. The company's Watford-born chief executive took the only meal for which Brits are famous — breakfast — and put it on the menu all day long. Americans gobbled up his version of bacon'n'eggs, usually in a McMuffin, helping McDonald's to rack up supersized profits.

Easterbrook's other "Briddish" import was, alas, less successful. His relaxed attitude to employee relations left him McToast. He started dating an employee and did not declare it — in breach of Ronald McDonald's strict rules on romance under the Golden Arches. [The board fired him last week](#). Cue jokes about "Steve's sausage McMuffin".

Easterbrook's ousting has focused attention on the draconian new rules governing workplace relationships across the Atlantic, and has raised fears that they could be coming to an office near you.



It all ended in tears for the company's former chief executive, Steve Easterbrook  
HANNELORE FOERSTER

Gone are the days when an employer regarded staff romance as none of its business, as Citibank's did in 1991 when its then boss, John Reed, became the talk of Wall Street for having an affair with a stewardess on Citi's corporate jet. Almost every large US company now has strict rules on how co-workers must behave.

At many firms, managers are forbidden to ask a subordinate for a date. At Google and Facebook, employees can ask out anyone they want but only once. If they are turned down, they cannot ask again. Diplomatic answers, such as "I'm busy" or "I can't that night" count as a no, says Heidi Swartz, Facebook's global head of employment law. Neither Google nor history records if the Google co-founder Sergey Brin propositioned the former Google Glass marketing manager Amanda Rosenberg more than once before she agreed to begin an affair with him that ended his marriage.

If one thing does lead to another, many US firms force colleagues to sign a "love contract". No, *really*. It's a legal document providing written confirmation from both parties that their relationship is consensual, that they understand the company's sexual harassment policies and waive their rights to take legal action against the company or each other if the relationship sours. In the American version of Ricky Gervais's *The Office*, Michael Scott, played by Steve Carell, is so excited to sign a love contract with his boss, Jan, that he dots the "i" in his name with a heart.

These contracts are particularly onerous in Silicon Valley. There, big companies' obsessive secrecy means they ask couples who work for rivals to sign an agreement that one will not divulge corporate secrets to the other. Jason Habinsky, an employment lawyer at Haynes and Boone in New York, concedes that some of the new US legal manoeuvres might look "awkward or unnecessary" but explains that "companies are trying to get creative and proactive to protect themselves and protect the workplace".

So far, British firms have resisted imposing strict rules or contracts, as Antonio Horta-Osorio, chief executive of Lloyds Banking Group, found out to his considerable relief in 2016. He was pictured on a business trip to Singapore alongside a woman who was not his wife. Newspapers claimed he had had a four-year affair with her. He apologised to his board and the bank's staff, insisted he remained committed to the bank and would not resign and survived relatively unscathed.

Allyson Stewart-Allen, who has made her career advising UK-based firms, including Cadbury (now American-owned) and BAE Systems, on how to do business in the US, praises the more relaxed British system, which she says can loosely be described as "don't cause a problem and, if you do, work with your manager who will have some discretion to sort things out between mature adults. It's more adult-adult rather than parent-child."

Why are things different in America? Stewart-Allen, whose latest book, *Working with Americans*, is published this week, says US corporate culture "has always been more prescriptive and rules-based". That's partly because consistency and scale are vital to so many American businesses. McDonald's success is rooted in the Big Mac tasting the same from Red Square to the Red Sea, and you can't do that without strict rules.

That culture ratcheted up a notch in the 1980s when US firms began to globalise rapidly. "Management consultants convinced companies that they needed to have a core set of values — and rules — to express their culture in Malawi as well as in Maryland," Stewart-Allen says.

But it is the #MeToo movement, coupled with the rise of social media, that has changed everything. Without the transparency and campaigning platform that social media offers, Stewart-Allen argues, it is unlikely that allegations against the former movie mogul Harvey Weinstein or Les Moonves, the ex-boss of the CBS broadcasting network who was accused of sexual harassment and abuse, would have come to light. More than half of US companies have reviewed or created sexual harassment and dating policies in the light of #MeToo.

The new company policies help to prevent workplace harassment and worse, but Stewart-Allen points out that the reforms are more about protecting firms' reputations and bottom lines. "It's all about de-risking. Nobody wants to be on the wrong end of the kind of lawsuits that CBS has been battling. If there is a problem — and firms know there will be, because you can't stop passion — at least they can now say they had strict rules in place to try to prevent it." Kaye Foster-Cheek, a former head of human resources for Johnson & Johnson who sits on the boards of three American companies, agrees. She argues that chief executives now regard harassment as not just a legal liability but a reputational and business risk as serious as security or hacking.

Will US-style rules creep into Britain? They're beginning to. Google's and Facebook's US policies now apply here, as do McDonald's — from head office right down to every motorway services McCafé. Most FTSE 100 firms and big City institutions have introduced "ask only once" dating rules — so has News UK, the parent company of *The Sunday Times*. Barclays bank and the law firms Linklaters, Clifford Chance and Herbert Smith Freehills all now require employees to declare romantic relationships that could pose a conflict of interest. Goldman Sachs has a similar policy.

Others are tackling the issue from a different, rather more British angle. Lloyd's of London insurance market recently banned its staff from drinking between 9am and 5pm on working days.

Rules are a good thing, says Rita Clifton, a former Saatchi & Saatchi director of strategy who met her husband, Brian, at work — “but it felt OK because we were junior peers at the time”. “The legal and moral threats are becoming too great not to have a policy on romantic relationships,” she says.

“When I started in the 1980s as a twentysomething executive, women often went out for a work dinner and felt they had to accept the hand on the knee or the lingering hug. They certainly won't now and want to know that the companies they work for won't allow it. If you don't have a policy, it can be bad for morale.”

So, for now, if your eyes meet over the water cooler, it's probably best to check the small print of your contract before suggesting a trip to the stationery cupboard.