

Restaurant Settles EEOC Lawsuit Based on Denying Cook's No-Sundays Request: 6 Steps for Handling Religious Accommodation Requests

Insights 8.19.24

A North Carolina restaurant franchisee has agreed to pay \$40,000 and take other corrective measures to settle a religious discrimination and retaliation lawsuit filed by the EEOC after being accused of denying a cook's no-Sundays request. While restaurant employers have long been grappling with the challenges of a persistent labor shortage, and staffing becomes even more complicated due to employees' individual availability and scheduling requests, this recent settlement highlights why it is crucial to understand the potential legal implications of denying an employee's scheduling request when it is tied to a religious belief. Here is what you need to know about the settlement and six steps you can take to help protect your restaurant and comply with federal and local discrimination laws.

What Happened?

In January 2021, a restaurant in North Carolina hired a cook at a location in Charlotte. At the time of his hire, the employee requested and was granted a religious accommodation of not working on Sundays to honor his religious observances. A few months later, a new general manager decided to end the accommodation. After working two Sundays, the cook told the general manager he could no longer work Sundays pursuant to his religious beliefs. The restaurant summarily fired the cook. The GM also allegedly made comments such as "religion should not take precedence over [the employee's] job" and that the cook "thinks it is more important to go to church than to pay his bills."

The individual then took action and the U.S. Equal Employment Opportunity Commission (EEOC) filed a religious discrimination and retaliation lawsuit against the employer. It alleged that the GM's alleged conduct violated Title VII of the Civil Rights Act of 1964 (Title VII). The parties reached a settlement agreement, which requires the employer to:

- pay \$40,000 in monetary damages to the employee;
- provide annual training to managers on the provisions of Title VII;
- post a notice to employees about the settlement; and
- **revise its current policies** to expressly include protection for religious accommodations and post them in all of its North Carolina locations.

Religious Accommodations 101

Under Title VII, employers with at least 15 employees must provide reasonable accommodations to employees when they have sincerely held religious beliefs, practices, or observances that conflict with work requirements. Title VII casts a wide net, defining "religion" as "all aspects of religious observance and practice, as well as belief."

Employers may deny religious accommodations only if they can show that the accommodation would create an undue hardship. Last year, a SCOTUS decision clarified that an employer must show that "the burden of granting an accommodation would result in **substantial increased costs** in relation to the conduct of its particular business" to establish an undue hardship.

Religious accommodations in the workplace require a two-step analysis:

1. Does the employee have a sincerely held religious belief that conflicts with a job requirement?

- Importantly, to be "religious," an employee's belief **does not need to align with a formal religious organization**. Typically, courts require only that an employee's belief be part of a broader moral or ethical framework.
- The EEOC has acknowledged that, where an employer has reason to question the sincerity of a religious belief, it **may ask for third-party verification** of the employee's belief, which may come from anyone who is familiar with the employee and their beliefs.

2. Is there an accommodation that would remove the conflict without causing undue hardship to the employer?

• If more than one possible accommodation exists, employers are only required to offer one possibility and have **no duty** to provide the employee's preferred accommodation.

6 Steps You Can Take to Comply and Protect Your Restaurant

- **Refresh your policies and procedures**. Make sure your business has clear, up-to-date policies in place that outline your approach to religious accommodation requests and the process for granting or denying them, with both federal and state discrimination laws in mind.
- **Consider using accommodation request forms.** Some employers use a written form to gather information from employees requesting religious accommodations— this can be a good tool to bridge the gap between management and HR when information—sharing.
- **Document your decisions.** The granting or denying of any request for accommodation should **always** be documented in writing. Importantly, if you are going to deny a request for accommodation due to undue hardship, the basis for undue hardship should be provided in

writing to the employee so that it may be referenced, should the business have to justify its decision to the EEOC or state equivalent.

- Train your managers. Invest in managerial training to improve restaurant-level management of
 accommodation requests, whether religious or otherwise, to ensure managers recognize
 accommodation requests and are equipped to either engage in the interactive process with
 employees or to refer such requests to HR. Further, it is important to ensure your supervisorylevel employees are attuned to the religious nature of requests for scheduling changes, time off,
 prayer breaks, job reassignments, modifications to dress codes and grooming policies, and
 designations of private locations in the workplace for religious observances.
- Stay vigilant even after granting a request. It is crucial that your managers know their work is not complete after an accommodation is granted. Documentation continues to be key, and any communications related to the request for accommodation occurring after it has been given should still be closely documented. You need to emphasize the importance of management-level follow-up with employees who have accommodations to ensure employees' needs are, and continue to be, met.
- Work with counsel. Requests for religious accommodation are highly fact-specific. Particularly for breakfast-focused restaurants, there may be a temptation to assume that a religious-based request not to work on Sundays can be denied because they often have the most sales during the week. But before dismissing any such request out of hand, you should consult your legal counsel especially when dealing with requests based upon a non-formal religion. Counsel may also help you to gauge whether you can establish the type of significant cost or difficulty sufficient to deny a religious accommodation request, considering circumstances related to the financial resources of your business, the nature and cost of the requested accommodation, the number of employees at your restaurant, the impact of the accommodation on other employees, potential safety implications, and the nature of your restaurant's operations.

Conclusion

We will continue to monitor developments, so make sure you are subscribed to <u>Fisher Phillips'</u> <u>Insight System</u> to get the most up-to-date information. For further information, contact your Fisher Phillips attorney, the authors of this Insight, any member of our <u>Employment Discrimination and Harassment Practice Group</u>, or any member of our <u>Hospitality Team</u>.

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