

# **After the Decree: Making Diversity Programs Stick**

By Stephanie B. Goldberg

October 4, 2002, marked an end to litigation for Texas-based Rent-A-Center, Inc., and hopefully, a new beginning. After two years of vigorously defending a class action sex discrimination suit brought on behalf of 16,000 female employees, Rent-A-Center – the nation’s largest chain of stores offering rent-to-own appliances, furniture, electronics, and computers – had capitulated, and now a judge was signing off on the consent decree.

Besides agreeing to pay \$47 million to settle the case, Rent-A-Center assented to sweeping injunctive relief that would have been unthinkable only a few years ago. Chief Executive Officer Ernest Talley had engineered the acquisition of the 1,400-store chain in 1998, and merged it with his 700-store company, Renters Choice. Mergers inevitably entail a culture clash, but in this one, the hostility to women was almost palpable, and the message came from the very top.

There were standard allegations: women were denied promotions and maternity leave, were sexually harassed and humiliated at meetings, and were told they didn’t belong in the workplace. But others were mindboggling: The physical lifting requirement was increased from 50 lbs. to 70 lbs. to make it difficult for women of average build to do the work. Women were sent alone on deliveries to scare them into quitting. And just to make the message perfectly clear as to where they stood on the corporate ladder, women were assigned the task of cleaning bathrooms.

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