

Six Strategies to Avoid Employment-Related Lawsuits

Practical steps you can take today to reduce risks tomorrow



Businesses are more likely to face an employment practices liability (EPL) claim than one related to general liability or property loss.



Litigating a single EPL lawsuit typically costs between \$200K and \$300K.*

6 ways to reduce the risk and cost of EPL claims



Strategy #1

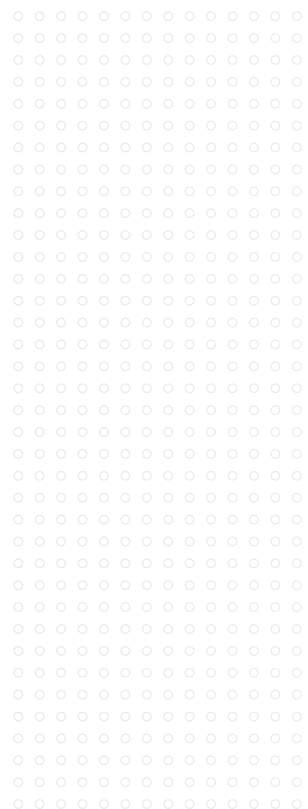
CREATE AND DOCUMENT POLICIES AND PROCEDURES

Review your employee handbook and corporate policies annually and during new-hire onboarding. When developing your employee handbook:

- Consult a lawyer, and update as relevant laws change
- Define employees as broadly as possible: differentiate between salaried and contract employees, full- and part-time staff, and seasonal and independent contractors, especially when it comes to leave of absence and unemployment benefits
- Include your company's grievance or complaint policy
- Incorporate exclusions or risks specific to your business
- Work with an experienced broker to ensure that all liabilities unique to your business are considered and incorporated

Have each employee sign their handbook to acknowledge that they understand your policies.

*Source: Complete the Picture – A Spotlight on the EPLI Market, Advisen Ltd.





Strategy #2

KEEP A LOG OF HR-RELATED ISSUES AND KNOW YOUR RECOURSE AS AN EMPLOYER

Your log is your first line of defense should an EPL claim arise. You should:

- ☐ Maintain and update a comprehensive record of absenteeism, tardiness, failures to improve, disciplinary issues and employee complaints
 - ☐ Train your HR team to report and communicate employee issues in a timely manner to ensure compliance with claims filing guidelines
 - ☐ Create a clear timeline of claims filing procedures to ensure claims are resolved
 - ☐ Talk to your broker about the best ways to protect your business when issues arise
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Strategy #3

UNDERSTAND THIRD-PARTY RISKS

You can be liable for the actions of your vendors, clients, customers and employees. Train employees to:

- ☐ Understand third-party employment practice risks
 - ☐ Help and interact with third parties without increasing risk
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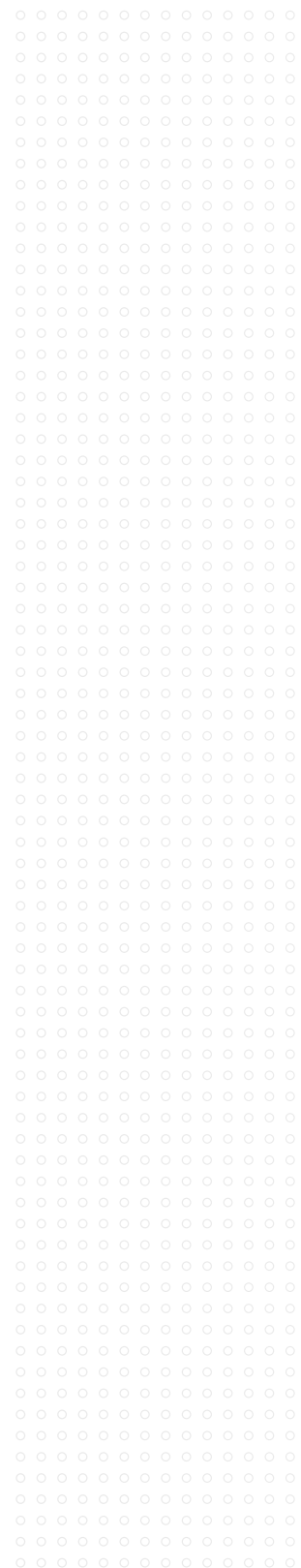


Strategy #4

MONITOR EMPLOYEES IN REASONABLE PLACES

Cameras and other technology can help you document information vital to defending against a complaint. But remember:

- ☐ Only monitor in reasonable, public areas
- ☐ Employees must be publicly notified of all monitoring practices





Strategy #5

KNOW YOUR RIGHTS AS AN EMPLOYER

During the claim process:

- ☐ Talk to your claims adjuster to determine your rights
- ☐ Don't be afraid to speak up against fraudulent claims

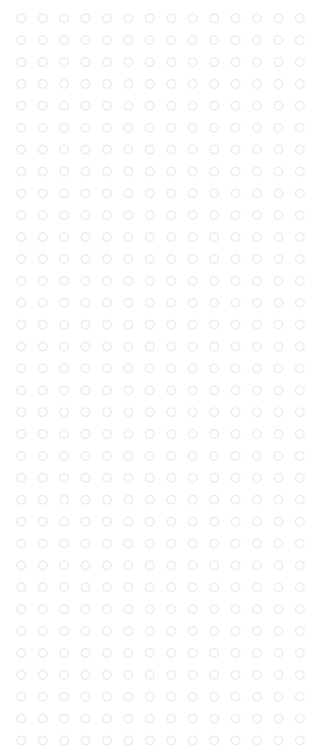


Strategy #6

SECURE A COMPREHENSIVE EPL INSURANCE POLICY

An experienced EPL broker can help you:

- ☐ Secure the right policy for your business
- ☐ Amend policies and procedures after a claim is resolved to ensure a successful policy renewal



Protect what matters most

We can advise you on how to manage confidently in a changing business landscape, and help tailor a plan to protect your organization, brand and assets from EPL claims.

Contact a HUB employment practices liability expert at

hubinternational.com/EPLStrategies