

Elmer R. Jordan Insurance Agency

31324 Via Colinas, Unit 116
Westlake Village, CA 91362
www.erjordaninsurance.com

Office: (818) 707-1328
Fax: (818) 707-1410

Agent/Broker
License No. 0F79333

EMPLOYMENT RELATED LAWSUITS ARE SOARING! IS YOUR BUSINESS PROTECTED?

The number of Employment related lawsuits against California businesses is increasing dramatically. The statistics are sobering:

- From 2002 to 2006, the U.S. Equal Employment Opportunity Commission logged approximately 420,000 workplace claims, and a total of almost \$1.25 billion was awarded to employees.
- Last year, discrimination claims increased for the first time in four years. Pregnancy discrimination claims were at their highest level ever, and a record 15 percent of sexual harassment claims were filed by men.

Most at risk are small businesses that lack the resources to protect themselves against employment related law suits. Many do not have a General Counsel or Human Resources department to assist them in the acquisition, evaluation, and termination of employees. Many do not have an Employee Manual. Most businesses think they are protected by their General Liability and Workers Compensation insurance policies. **These policies exclude coverage for Employment Practices Liability lawsuits.**

What is Employment Practices Liability? This term refers to practices and employment procedures (wrongdoing) that your business can be legally held liable for, i.e., sexual harassment, and improper employment acts involving race, religious and age discrimination. It also includes other acts such as retaliation and wrongful termination. Several claims may be raised by discharged employees, including claims of fraud, emotional distress, invasion of privacy, and claims related to wage and benefit issues.

Why are Employment Practices Lawsuits on the Rise? There are several factors to blame:

- The media is giving more coverage to discrimination and harassment lawsuits against employers. With all this attention, employees are becoming sensitive to any act of impropriety by their managers or employers.
- The country is a very diverse workplace with employees from around the world. With so much diversification, attention must be paid to the sensitivities within each culture.
- Some disgruntled employees file false claims with the hope of receiving a financial settlement with the hope their employers will decide to settle out of court than pursue and lengthy and expensive litigation process.

Employment Practices Liability insurance has become very affordable and easy to attain. It can often be easily added to an existing business owner policy.

Please contact Michael Quigley for a free consultation. We want you to be protected.