

## **Employment Claims are Up – How Can You Protect Your Company?**

Over 5.1 million jobs have been lost since December 2007. Employment and age discrimination claims filed with the EEOC have risen sharply in the last year as well. What can you do to protect your company?

### **All severance should be accompanied by a valid release.**

Many employers have engaged in reductions in force, including mass lay-offs since December 2007. If your company is contemplating severance payments, you should ensure they are part of a severance agreement containing full and final release of all claims. In order to be effective, a release must contain certain language required by federal laws, including the Older Workers' Benefit Protection Act.

### **Be cautious when cutting hours/salaries of exempt employees.**

Employers may also attempt to cut costs by furloughing employees or reducing their hours and/or salary. However, such moves may result in overtime liability for previously salary exempt employees if the reduction is not done precisely as required by U. S. Department of Labor regulations. Any consideration to cutting costs in this manner should be examined closely by your employment law advisor.

### **Document, document, and document some more.**

Although the economy has severely damaged some segments of the business world, employment claims and litigation have continued to rise. The key to defending any employment decision rests upon accurate and timely documentation. Evaluations, counselings, a reduction in force plan and terminations all rely upon documentation to support the non-discriminatory business reason for the decision. If in doubt, document!