

Staying ahead of employment liability risks

By Kim Dennis

In an employment landscape marked by rapid legal changes, evolving workplace norms, and heightened employee awareness of their rights, managing employment liability exposure has never been more critical. Understanding these risks is key to protecting your organization and keeping employment claims to a minimum.

Common Employment Liability Exposures

Employment liability typically arises from claims of:

- **Wrongful termination**
- **Discrimination** (based on race, gender, age, disability, religion, etc.)
- **Retaliation**
- **Harassment** (including sexual harassment)
- **Failure to accommodate** (especially under ADA or religious grounds)

Such claims can stem from both actual misconduct and perceived unfair treatment, even unfounded allegations can result in costly litigation.

Best Practices for Members

To help mitigate exposure, WCIA recommends the following:

- **Update Employment Policies Regularly:** Ensure your employee handbook reflects current federal, state, and local laws, including clear anti-harassment and anti-retaliation provisions.
- **Train Supervisors and Staff:** Conduct annual training on harassment prevention, proper documentation, and inclusive management practices.
- **Maintain Documentation:** Keep thorough records of hiring decisions, disciplinary actions, complaints, and accommodations provided. Good documentation often makes the difference in defending a claim.
- **Establish Clear Reporting Mechanisms:** Provide multiple channels for employees to report concerns confidentially and without fear of retaliation.
- **Engage Early:** Do not wait until a claim is filed - consult with your agency attorney or your WCIA Risk Representative regarding performance issues, terminations, or complex accommodation requests.

Member Resources

- **WCIA Liability Resource Manual:** Section 6 of WCIA's on-line manual offers guidance and sample documents covering many employment liability issues. The [Liability Resource Manual](#) can be accessed through the WCIA website.
- **WCIA Personnel Audit Checklist:** This checklist provides best practices for mitigating losses in the area of hiring, termination, training, and documentation. The [checklist](#) is located in the Risk Services section of the WCIA website.
- **WCIA Pre-Defense Program**
- **WCIA Risk Consultation Program**
- **Your WCIA Risk Management Risk Representative:** Reach out to your assigned risk representative if you would like assistance accessing any of the above documents, more information regarding the Pre-Defense or Risk Consultation programs, or if you have questions regarding an employment matter.

Employment liability is a dynamic and complex area of risk. By proactively managing your employment practices, you not only protect your organization but also contribute to a healthier and more equitable workplace. Let's work together to reduce liability and foster a culture of compliance and respect.