

SCORECARD



EMPLOYMENT PRACTICES LIABILITY INSURANCE

As a business leader, nearly every decision you make affects employees in some way. Unfortunately, sometimes decisions also create exposures that could lead to an employment practices liability claim (e.g., wrongful termination, discrimination, sexual harassment, retaliation).

Such claims can disrupt operations, damage your business’s reputation, hurt employee morale, and impact your bottom line. Even businesses that foster a welcoming work environment and take all necessary precautions can still face an employment practices liability claim.

That’s when employment practices liability insurance (EPLI) comes into play by helping cover associated costs.

Are You at Risk? To better understand the level of risk your business faces on a daily basis, please answer the questions below. Please note that each section will have its own scoring instructions – Review them carefully. After completing all sections, add up your score and determine your level of risk.

SECTION INSTRUCTIONS: The following points will be assigned for each response:

- YES: 0 points
- NO: 3 points
- N/A: 3 points

HR PRACTICES

	YES	NO	N/A	SCORE
1. Does your business have a formal HR or personnel department?				
2. Are the individuals that handle HR and personnel functions for your business formally trained in HR matters?				
3. Does your business have in-house counsel that it consults on employment-related matters?				
4. Does your business retain the services of an outside law firm that specializes in labor and employment law?				
5. Does your business have an employee handbook that has been reviewed by legal counsel?				
6. Does your business distribute an employee handbook to all employees?				
7. Does your business obtain signed acknowledgement from all employees indicating that they have received and reviewed your employee handbook?				
8. Does your business use an employment application for all applicants?				
9. Does your business use written job descriptions for all positions in the organization?				
10. Does your business maintain written hiring and interviewing guidelines?				
11. Does your business have formal guidelines and written procedures for disciplining and terminating employees?				
12. Does your business require managers and HR professionals to approve all proposed employee terminations?				
13. Does your business have outside counsel review all proposed employee terminations?				
14. Does your business have an outplacement program to assist discharged employees?				
15. Does your business have a formal training program for all new employees?				

16. Does your business provide annual education on illegal discrimination and workplace harassment to all employees?				
17. Does your business require all employees - including management - to attend training, educational programs or seminars on employment relations and conflict resolution?				
18. Does your business have formal guidelines and written procedures to address compliance with the Civil Rights Act, the Americans with Disabilities Act, the Age Discrimination in Employment Act, and any other applicable federal and state laws?				
19. Does your business have formal guidelines and written procedures that explicitly prohibit discriminatory practices in hiring, promotion, and compensation?				
20. Does your business have formal guidelines and written procedures that explicitly prohibit sexual harassment in the workplace?				
21. Does your business have a written policy dealing with the use of company email, voicemail, and internet access?				
22. Does your business have formal guidelines and written procedures for reporting, addressing, and resolving employee grievances?				
23. Does your business have formal process and written guidelines for conducting employee performance evaluations?				
24. Does your business have its employment policies and procedures periodically reviewed by outside legal counsel?				
SECTION SCORE:				/72

SECTION INSTRUCTIONS: The following points will be assigned for each response:

- YES: 3 points
- NO: 0 points
- N/A: 3 points

BUSINESS OPERATIONS AND HISTORY

	YES	NO	N/A	SCORE
25. Has the turnover rate at your business exceeded historical levels at any time during the past five years, or do you anticipate making any layoffs or staff reductions in the near future?				
26. Do any of your employees work in isolation or in circumstances where they are not monitored by a supervisor or manager?				
27. Does your business make use of temporary or seasonal employees?				
28. At any point in the last five years, has any current or former employee or third party made any claim or otherwise alleged discrimination, harassment, wrongful discharge, or other wrongful acts against your business?				
29. At any point in the last five years, has your business terminated or otherwise disciplined an employee for inappropriate conduct in the workplace?				
30. Does your business anticipate taking any actions or completing any transitions that would substantially increase the number of employees within your business?				
SECTION SCORE:				/18

TOTAL SCORE:

MODERATE RISK: 0-18 points

HIGH RISK: 21-60 points

ESCALATED RISK: 63-90 points