



10 LEGAL TRAPS FOR THE UNWARY EMPLOYER **(Or How to Avoid Today's Most Common Employment Lawsuits)**

If you own or manage a business, you live in a world of *substantial risk* and *high anxiety*. One mistake can cost you thousands or even millions of dollars. Most, if not all, of the legal and business nightmares we are about to review can easily be avoided by following a handful of powerful strategies.

TRAP #1: HIRING THE WRONG EMPLOYEE

Today's most valuable commodity—knowledge—resides within each of your workers. This makes employees your greatest asset and your greatest liability. Few employers fully appreciate the importance of *hiring only the best*.

The Wrong Employee Is

- Under-qualified
- Resistant to change
- Prone to error
- Absent, late or lazy
- Untrustworthy
- Unethical
- Unhealthy
- Violent
- Addicted
- Selfish

The Wrong Employee Will

- Create a negative work environment
- Harass or discriminate against co-employees
- Offend customers or vendors
- Quit at the drop of a hat
- Sue your company
- Cause your company to be sued by a third party
- Create bad press
- Use up every day of sick leave
- Steal company trade secrets or other confidential information
- Take business opportunities for his/her own
- File for unemployment or workers' compensation

If you want to avoid hiring the wrong employee, we suggest you follow these five strategies:

1. Do not hire in haste. If you need somebody right away, then lease an employee, outsource, hire an independent contractor or pay overtime. It may be that you do not need an employee at all.
2. Look to as many different hiring sources as you can, then carefully screen applicants using pre-interview questionnaires and standardized interview questions.
3. Use an employment application that is thorough, contains an "at-will" clause, an EEO (Equal Employment Opportunity) statement, and an authorization for reference checks and pre-employment testing.
4. Conduct extensive reference checks as well as background checks on driving, criminal and credit records when appropriate.
5. Conduct post-offer, pre-hire "fit for duty" physicals, which include drug testing.