



- Safeguards for Hiring a New Employee -

In the course of an average day at the office, we sometimes forget (or ignore) the necessary paperwork for hiring a new employee. In some cases, we set ourselves up for mental and financial torment in the event that we have taken on a 'bad' hire. Torment can appear in needless unemployment claims, discrimination complaints, wrongful termination lawsuits, and even wage and hour disputes (the worst). Legal defense costs for these types of HR problems generally begin with a \$15,000 retainer!

This is the first in a series of hiring related messages aimed at helping you to protect yourself with safeguards and best practices provided through your ongoing relationship with EmployShare., Inc.

Offer Letters - Valuable and Dangerous

Many companies question the value of providing an offer letter before hiring a new employee, usually because they might not understand the protection that an offer letter can provide. Especially in situations where an employee is hired under special circumstances, (like when buying an outside book of business), an offer letter can be the document that saves you from costly problems in the event that the employee resigns, is laid off, or fired.

Here is a real life example: One of our client's provided an offer letter to a new employee without our oversight or knowledge. The offer letter listed that the Company provided for an annual bonus of up to \$10,000 based on certain circumstances and profitability. The employment relationship soured through poor performance, leading to the termination of the employee, who immediately lawyered up and got an undeserved check for \$10,000 from our client. This could have been prevented with better language to protect our client.

- **What can you do to better protect yourself while at the same time maximizing the benefits of an effective offer letter?**
- **Call EmployShare BEFORE you hire your next employee. We will customize your offer letter at no added charge for all full service clients.**

Please contact your customer service representative BEFORE you hire your next employee. And please give us as much lead time as possible because creating legitimate offer letters can take some time.

Thank you from all of us on the EmployShare team.

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