



EMPLOYEE RELATIONS 101

# Protecting Your Business Before Problems Start

A working session on spotting red flags, documenting the right way, and acting proactively — plus the termination, leave, compliance, and safety essentials that hold up under scrutiny.

## AGENDA

# Six areas, one goal

Protecting the business — from the first-line conversation to the legal and compliance details that back it up.

**01** Recognizing Red Flags

**02** Documenting Appropriately

**03** Taking Proactive Steps

**04** Termination Best Practices

**05** Leave Law Best Practices

**06** HR Compliance Hot Topics

# What “employee relations” actually covers

Employee relations is the day-to-day work of managing the relationship between the business and its people — how conflicts get resolved, how expectations get communicated, and how fairness gets applied consistently.

*As a manager, you are the front line. HR builds the policy — you apply it, every day, in real conversations.*

 **Communication**

 **Conflict resolution**

 **Performance issues**

 **Policy consistency**



## SECTION 1

# Recognizing Red Flags

The early signals that something needs a conversation — before it needs a case file.

## FOUR CATEGORIES TO WATCH

# Where early warning signs show up



### Performance

Missed deadlines, declining quality, or output that's dropped from a prior baseline.



### Conduct

Policy violations, disrespect toward others, or a pattern of pushing boundaries.



### Attendance

Increasing lateness, unplanned absences, or a change in reliability.



### Interpersonal

Friction with coworkers, complaints from teammates, or a shift in team dynamics.

# What this looks like in practice

| Category      | Early signal                                            | Ask yourself                                                   |
|---------------|---------------------------------------------------------|----------------------------------------------------------------|
| Performance   | Two missed deadlines in a month, after a clean record   | Is this a skills gap, a workload issue, or something personal? |
| Conduct       | A sharp comment in a meeting that felt out of character | Was this witnessed? Does it match a pattern, or a bad day?     |
| Attendance    | Three unplanned absences in six weeks                   | Is there a trend? Has it been logged consistently?             |
| Interpersonal | A teammate mentions feeling “talked over” in standups   | Is this isolated, or has more than one person raised it?       |



## SECTION 2

# Documenting Appropriately

If it isn't written down, it didn't happen — at least not in any way you can prove later.

# Documentation is protection — for everyone



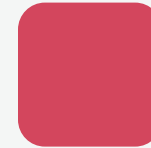
## For the employee

Clear, consistent notes mean feedback isn't a surprise — they know where they stand and what's expected.



## For you

A written record backs up your decisions and protects you if a situation is ever questioned.



## For the business

Consistent documentation is often the difference between a defensible claim and a costly one.

# Four habits of good documentation

## **Specific**

Exact dates, quotes, and observed behavior — not impressions or summaries.

## **Objective**

What was said and done, not what you assume was intended.

## **Timely**

Written the same day, while details are still accurate and fresh.

## **Consistent**

The same standard applied to every employee, every time.



## SECTION 3

# Taking Proactive Steps

The habits that keep small issues small — before they need a formal process at all.

# What proactive managers do differently



## Have the direct conversation early

Address the behavior privately and specifically, the first time you notice it — not the third.



## Check in on a regular cadence

Regular 1:1s surface small issues while they're still easy conversations.



## Set clear, written expectations

Make sure the employee can restate what “good” looks like and by when.



KNOW YOUR LIMITS

## When to bring HR in — immediately

- Any allegation of harassment, discrimination, or retaliation
- Safety concerns, threats, or conduct that feels unsafe
- Behavior that could involve a legally protected leave or accommodation
- A situation where you're unsure if your documentation is enough on its own

## THE NUMBERS BEHIND THIS

# What violations actually cost employers

Everything in the next three sections exists because these numbers are real.

**\$660M**

EEOC recoveries for victims of discrimination, FY2025

**17,680**

Number of Victims compensated by the EEOC in FY2025 alone

**\$288–  
\$28,619**

Federal penalty range per Form I-9 violation

**180 days**

Standard deadline to file an EEOC charge — shorter than it feels

*Sources: EEOC press releases and case data; DHS/ICE Form I-9 penalty schedule (Jan. 2025 inflation adjustment).*



## SECTION 4

# Termination Best Practices

Endings carry the most legal exposure of any employment decision — getting the mechanics right matters as much as getting the decision right.

# Getting it right before day one



## Run a risk assessment first

Confirm the documentation history supports the decision and aligns with company policy before proceeding.



## Loop in HR and management — no surprises

Every affected party should see the decision coming and agree it's consistent with past practice.



## Check protected-class exposure

Consider protected class, potential disability or medical history, and any risk of a retaliation or discrimination claim.

## Three details that carry legal weight



### Last paycheck

Timing varies by state — immediate, next payday, or within a defined period. Must include all wages earned and any PTO payout required by state law or company policy.



### Unemployment notices

Provide required unemployment documentation at separation. Many states require a specific written “Notice of Separation.”



### Benefit premium deductions

Deduct final benefit premiums only if legally allowed and authorized — and never let the final check drop below minimum wage. Communicate COBRA termination dates and premiums clearly.

# What termination disputes actually cost

| Case                                     | Payout                         | What happened                                                                                                                          |
|------------------------------------------|--------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| Chipotle (Fresno Co., CA)                | ~\$8M jury verdict             | 14-year employee fired over an alleged \$636 theft — jury found it was pretext for retaliation over workers’ comp and pregnancy leave. |
| Jack Marshall Foods (KFC franchisee, AL) | \$1,052,000                    | Hostile work environment; ~19 female employees, including teenagers, subjected to severe sexual harassment.                            |
| Hanger Prosthetics & Orthotics           | \$850K punitive + \$150K comp. | Deceitful handling of a layoff tied to an on-the-job injury.                                                                           |
| TCI of Alabama, LLC                      | \$90,000                       | 28-year employee terminated in retaliation for participating in an internal sex-discrimination investigation.                          |

*Outside California, single-plaintiff settlements in AL, MS, GA, TN, and FL cluster tightly in the \$60,000–\$250,000 range. Million-dollar-plus figures there tend to involve class or pattern-or-practice claims — not a single termination decision.*



## SECTION 5

# Leave Law Best Practices

FMLA and ADA leave are two of the most common places good intentions turn into inconsistent — and risky — practice.

# Managing FMLA and ADA effectively



## **Provide a clear, written process**

Use consistent forms and communication templates for every leave request — no ad hoc handling.



## **Run the ADA interactive process promptly**

Don't let an accommodation conversation stall — delay is itself a common source of claims.



## **Track intermittent leave accurately**

Log it consistently and fairly across employees so the record holds up under scrutiny.



PROTECTING THE PROGRAM

## Reducing leave misuse

- Require complete medical documentation for every leave request
- Request certifications — and recertifications — whenever the law allows it
- Train managers to recognize a protected leave situation the moment it surfaces

# The cost of getting accommodation wrong

Individual failure-to-accommodate settlements typically run \$50,000–\$250,000 — and settle faster and higher when the employer ignored a treating provider’s written request.

| Case                         | Payout      | What happened                                                                                            |
|------------------------------|-------------|----------------------------------------------------------------------------------------------------------|
| Didlake, Inc.                | \$1,017,500 | Disability discrimination and ADA retaliation involving a janitorial/maintenance government contractor.  |
| Baptist Health South Florida | \$215,000   | Refused to limit a physician’s workday to accommodate her epilepsy, then terminated her.                 |
| Ranew’s Management Company   | \$250,000   | Employee with severe depression, on approved medical leave, fired on return despite a doctor’s release.  |
| Mississippi HomeCare         | \$100,000   | Failed to discuss or provide accommodations for an employee with epilepsy, then fired her a month later. |



## SECTION 6

# HR Compliance Hot Topics

Where enforcement attention is concentrated right now — and where a routine audit tends to find gaps.

# Key areas of risk



## Contractor classification

Independent contractor classification standards have been updated — revisit any borderline roles.



## Form I-9 procedures

Revised I-9 procedures and virtual verification options change what a compliant file looks like.



## OSHA focus areas

Workplace violence prevention and ergonomics are current OSHA enforcement priorities.



## Retaliation protections

Retaliation claims remain a top enforcement priority — often the easiest claim to win.

## RECOMMENDATIONS

# Staying ahead of it



### **Review and update HR policies annually**

Treat the handbook as a living document, not a one-time project.



### **Conduct internal audits**

Regularly audit hiring, pay, and safety practices before a regulator does it for you.



### **Train managers on compliance-sensitive areas**

Most exposure starts with a manager who didn't know a rule applied to their decision.

# What enforcement actually costs

10×

increase in I-9 Notice of Inspection volume, H1 2025 vs. 2024

~\$26,500

average EEOC-mediated outcome (most recent full-year data)

| Case                            | Type | Payout  | What happened                                                                                                                        |
|---------------------------------|------|---------|--------------------------------------------------------------------------------------------------------------------------------------|
| CCS Denver, Inc.                | I-9  | \$6.1M  | ICE found 100% of the company’s I-9s incorrect, confirming at least 87 unauthorized workers.                                         |
| PBC Commercial Cleaning Systems | I-9  | \$1.6M  | 74% I-9 violation rate, with 12 confirmed unauthorized workers.                                                                      |
| Columbia University             | EEOC | \$21M   | Workplace harassment based on Jewish faith, ancestry, or Israeli national origin — the largest EEOC antisemitism settlement to date. |
| Walmart (2024)                  | EEOC | \$18.9M | Broad disability discrimination claim affecting workers across multiple states.                                                      |

# Your manager's checklist



- Notice the behavior — don't wait for a pattern to be undeniable
- Apply the same standard to every employee, every time
- Have the conversation privately, promptly, and specifically
- Loop in HR when it involves safety, harassment, or leave
- Write it down the same day — dates, quotes, observed facts
- Follow up — confirm the expectation was understood

## KEY TAKEAWAYS

# Protecting your business starts with you



### See it early

Red flags are easiest to address the moment you first notice them.



### Write it down

Specific, timely, consistent documentation protects everyone involved.



### Act, then escalate

Handle what's yours to handle — and loop in HR the moment it isn't.



# Questions?

Reach out to your PBS PEO HR team any time you're unsure how to handle a situation — that's exactly what we're here for.