

# Benefits of

## Employment Practices Liability Insurance

Business leaders make decisions each day on a range of issues including things like hiring, firing, compensation, promotions and the work environment. Every one of these decisions impacts your employees and, depending on the outcome, could result in a claim related to wrongful employment practices.

These claims can disrupt business, hurt morale, damage your reputation and lead to serious financial damages. Thankfully, employment practices liability (EPL) insurance can provide organizations with protection from the above risks. Specifically, EPL insurance provides the following to policyholders:

- Coverage for alleged acts. EPL insurance not only protects organizations from actual wrongful acts, but alleged acts as well. Specifically, EPL coverage can safeguard an organization from claims related to discrimination, harassment, retaliation and wrongful termination.
- Timely responses to lawsuits. Employees suing their employers is common, and organizations will want to be prepared. This is especially important when you consider that there is no cap on how much a jury can award and that settlements in employment-related cases can easily reach six figures.
- Access to legal help. Strong EPL policies provide the insured with access to legal resources. This can prove invaluable if you need advice quickly.
- Risk management strategies. While employment-related lawsuits can arise at any time, organizations that take the time to implement basic risk controls are better equipped to avoid claims altogether. Many insurance companies provide access to risk management training and human resources consulting. These services can greatly reduce the likelihood that your company is sued by an employee.
- Additional protection for your directors and officers. While directors and officers (D&O) insurance can defend against employment-related lawsuits, dedicated EPL insurance is necessary for many organizations. Having a policy that provides separate coverage for lawsuits connected to wrongful terminations, discrimination, invasion of privacy and similar employment claims ensures that the limits on your D&O policy aren't exhausted unnecessarily.

### Want to Learn More About EPL Insurance?

Claims for wrongful employment practices are on the rise and often lead to business interruptions and costly claims. In order to truly protect your organization, it's critical to seek EPL insurance. To learn more, contact your insurance broker today.