

The Risk is Real

Here are just a few examples of the havoc a single employment-related lawsuit can wreak on a construction company.

Wrongful Termination Defense Costs More Than \$120,000

Wrongful Termination/Retaliation

The claimant filed a lawsuit against his former employer, a construction company. According to the lawsuit, the claimant had filed for workers' compensation benefits because of a work-related injury. His employer then informed him that light duty jobs were available. The claimant disputed his ability to return to work on light duty. The suit alleged the construction company subsequently wrongfully terminated the claimant's employment in retaliation for seeking workers' compensation benefits. Monitor defended the construction company during the trial, which resulted in a verdict in favor of the insured. Monitor paid more than \$120,000 in defense costs.

Lawsuit Settled for More Than \$100,000

Harassment/Slander/Defamation

Monitor's insured, a general contractor, was sued by a worker who alleged that he was threatened and harassed while working on the jobsite of a large construction project. In his lawsuit, the claimant alleged intentional infliction of emotional distress, slander, bad faith and defamation. Monitor assigned counsel to defend the general contractor and the matter ultimately was settled through mediation for more than \$100,000.

General Contractor Sued for Firing Pregnant Assistant Estimator

Pregnancy Discrimination

An assistant estimator previously employed by the insured, a general contractor, filed a charge of discrimination with the EEOC alleging pregnancy discrimination. According to the claim, the former employee alleged she had advised her

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supervisor she was pregnant. She was terminated shortly thereafter for poor attitude and for not completing her work. The claimant also alleged she had been terminated just before annual bonuses were distributed. The defense counsel assigned by Monitor obtained a “no probable cause” finding. The defense costs exceeded \$30,000.

Legal Costs to Settle Sexual Harassment Claim Exceed \$40,000

Retaliation/Sexual Harassment

An administrative assistant, who had been previously employed by a small construction company insured by Monitor, filed a complaint with the California Department of Fair Employment and Housing alleging retaliation. The former employee claimed she had been terminated for complaining about sexual harassment by a male coworker. The investigation conducted by Monitor’s assigned defense counsel revealed the claimant openly engaged in sexual conversations and flirting with the male employee in question after consuming alcoholic beverages at company events. This male employee did admit to slapping the claimant’s rear end for which he was reprimanded. The claimant demanded more than \$100,000 to settle the matter. The matter ultimately was settled with Monitor paying more than \$40,000 in legal costs.

EEOC Claim Successfully Defended for More Than \$25,000

Age Discrimination/Wrongful Termination

A former employee of a property maintenance and construction firm filed a charge of discrimination with the Equal Employment Opportunity Commission (EEOC). The claim alleged age discrimination and wrongful termination. It stated the property manager of the company, a Monitor insured, fired the claimant because she told him that she suspected another employee was stealing. The claimant also alleged the property manager made negative remarks regarding the claimant’s age, such as, “If I were to fire you, you would never get another job because you are as old as dirt.” Defense counsel assigned by Monitor successfully obtained a “no probable cause” finding. The defense costs totaled more than \$25,000.

