



CASE STUDY

Charles and Kathleen, Elder Employer Risk

Charles and Kathleen have been married for over 48 years. Their two sons joined their father in the shipping and cattle business with successful companies in the United States and South America.

They own several homes in the United States but lately had focused their attention on their primary residence: a large ranch in the hill country of West Texas. Here, they employ two full-time housekeepers who have been with the family for over 24 years and a handyman who has worked for them for almost 18 years. The latest hire was a problematic personal chef who also took care of the couple's hunting dogs.

Charles and Kathleen gradually began relegating daily routine tasks to their domestic staff, e.g., lifeguarding during their morning swim, running personal errands, driving them to appointments, loading and unloading heavy luggage and packages, grooming the dogs, and occasionally assisting them with dressing and bathing.

These extra duties took a physical toll on their staff, and within 10 months, the long-term housekeepers and handyman had filed workers' compensation claims and left their jobs without notice.

Shocked but not deterred by the sudden absence of their former employees, Charles and Kathleen were quick to begin the process of interviewing new candidates. Feeling overly confident in their abilities to identify an honest candidate, they decided to forgo the recommended interview and vetting process, considering it to be too time-consuming and expensive.



The newly-hired housekeepers and handyman were “on the job” within 24 hours of their first and only interview.

After just six weeks, Kathleen noticed several pieces of her emerald jewelry were missing along with 11 gold coins. Had they been stolen, or had they simply been “misplaced”?



CAN YOU IDENTIFY THE AREAS OF CONCERN?

1. What do you think happened to cause Charles and Kathleen's employees to file a Workers' Compensation claims and exit without giving notice?
2. What two factors could have caused their exit?
3. Why did Charles and Kathleen feel the need to hire replacements so quickly?
4. Are the new employees removing items from the home without consent?



Answer 1.

Contributing factors may include a potential on-the-job injury due to the new physical demands of their employers, poor communication, or possible new job offers with increased hourly pay, overtime, and health benefits.

Answer 2.

A. Employer did not respond to or ignored employees' requests regarding a stressful work environment.

B. Employer did not provide feedback on performance or an annual increase in compensation.

Answer 3.

Their overwhelming need for care outweighed the need to apply practical and prudent hiring processes.

Answer 4. Yes

Best Practices

- Contact an advisor at Teresa Leigh Home and Family Office to hire the best employees and provide support for management and HR.
- Take into account the current compensation for experienced domestic employees.
- Be willing to offer benefits such as paid time off (PTO) and health insurance.
- Provide overtime wages to hourly employees.
- Be willing to pay more than your peers.
- Support the hiring process, be patient, and allow for the time it takes to interview, test, and vet top talent.
- Refrain from asking employees to pay for personal or household items. Offer to reimburse them at a later time.
- Avoid calling your staff "family." They are employees.
- Support long-term hires with performance reviews and positive changes in compensation.

Speak With An Expert Advisor
Contact: Teresa Leigh Household Risk Management

Email: info@teresaleigh.com



For more information please visit:
teresaleigh.com