

Employers Council, the nation's largest employers association, has provided expert assistance and thoughtful guidance to employers since 1939. We collaborate with our members to develop effective, successful employer-employee relationships by providing "one-stop shopping" in every facet of human resources and employment law. Employers Council offers the broadest array of professional services under one roof. We walk alongside our members, offering guidance, support and expertise.

For more information about our services, contact the Utah office at 801.364.8479 or SaltLakeCity@EmployersCouncil.org.

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Avoiding Implied Contracts in Employee Communications

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Due to a spate of overly detailed offer letters received by Employers Council for review, it's a good time to revisit best practices concerning these documents.

The more detailed an offer letter is, the more likely it will be seen as a contract, potentially causing problems maintaining an at-will relationship with the individual in the event they are hired. To help avoid this, do not use the following language in your offer letter:

- Language that can be construed as employment for a specific amount of time;
- Listing an annualized salary, rather than one based on a month or pay period;
- Listing future benefits;
- Establishing cause standards for termination.

It is critical that your handbook include disclaimer language emphasizing that your handbook is not a contract or employment agreement. Don't have your owner or CEO sign the offer letter, as signatures look contractual and can imply an agreement of employment.

Finally, if you are not certain whether your current offer letter or employment agreement includes language that can be construed as contractual, Employers Council is happy to review it for you as part of membership.