

Kentucky Court Upholds EMPLOYMENT AT WILL

The Kentucky Court of Appeals upheld a trial courts dismissal of a breach of contract suit in favor of the employer, finding that an employee handbook and follow-up letter didn't constitute an enforceable employment contract. Therefore, the employee was at will (i.e. he could be fired for any reason or no reason at all)

Many non-union employers produce a handbook for employees creating the impression that it is a contract. It generally outlines benefits and employment policies and in the very back contains a statement that the company can change any or all of the benefits and policies anytime they want to and sometimes a statement that an employee's employment is "at will". Because the employment at will doctrine is the default rule for employment relationships in Kentucky and Indiana, it can only be overcome by a clearly worded contract to the contrary.

The recent case arose when an employee had a heated argument with his supervisor regarding whether the supervisors request for overtime was voluntary or mandatory. The employee used profanity toward his supervisor and repeatedly poked him in the chest. The incident was reviewed and the worker was suspended for three days. Upon returning to work, the employee was asked to sign a letter promising that he would not use insubordinate language toward supervisors or co-workers and would work mandatory overtime when asked. He was allowed to return to work with the stipulation that he agree to the above conditions of employment. He signed the letter.

About two weeks later the worker got into an argument with a co-worker who he later alleged was operating equipment in a manner that endangered his safety. The worker was allowed to leave work to stop the dispute from continuing. He was fired the next day.

The worker filed suit in Circuit Court alleging that he had an employment contract with the company providing that he could only be fired for "cause" and that the company breached the contract by discharging him. The Court dismissed the claim finding that he no employment contract existed and that the company was entitled to fire him because he was "at will". He appealed.

The Kentucky Court of Appeals reviewed the workers claim that the handbook created a contract between him and the company. It also considered the letter the worker alleged to also create a contract and rejected both. The Court concluded that neither of those documents altered his "at-will" relationship with the company because neither contained any clear expression of intent to abandon or alter the "at-will" status.

The most overlooked language in our contracts is the part that says an employee can only be disciplined or discharge for "just cause or cause". This language creates an employment contract for our members. This language is the basis for thousands of grievances every year and the language that allows us to prevail in a vast majority of those cases.

Could this have happened to you? Change the (at will) or "just because" to "just cause" with a union contract.