Take Care with Last Chance Agreements

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Debra Steiner Friedman was quoted in *SHRM* discussing last chance agreements and why the wording is important. A last chance agreement is extended to an employee on the brink of being discharged with a final opportunity to stay employed. These agreements need to be utilized and formulated carefully. "Last chance agreements typically focus on an employee's improper behavior, such as the use of or possession of drugs or alcohol at work, insubordination, yelling or cursing, or bullying. Sometimes, the agreements are used for violations of other policies, such as safety or timekeeping protocols. They less frequently are used to address deficiencies in an employee's skills for the job," said Debbie.

Last chance agreements are written individually. Debbie said they might include a statement such as: "We are providing you with one last opportunity to demonstrate to us that you can meet our workplace expectations. Any failure by you to comply fully and continuously with our expectations, as set forth in this last chance agreement, will result in the termination of your employment. We sincerely hope that you take advantage of this opportunity."

"Last chance agreements should not have a time limit, such as a statement that the employee will not engage in certain behaviors for six months or a year. Rather, last chance agreements do not expire but generally extend throughout the remainder of the employment relationship. Don't give an employee multiple chances if they violate the last chance agreement, as it undermines the entire purpose of this disciplinary tool," she said.

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