



Wage and Hour Violations – Survival Tips for Employers

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We all have read about employers in the throes of wage and hour compliance problems. Unfortunately, certain misconceptions about wage and hour compliance seem ingrained in workplace lore, with many employers making the same mistakes over and over again. The result: an increasing number of wage and hour lawsuits filed by employees – including class action suits – that are time-consuming, frustrating and costly. The truth is, many employers unwittingly make mistakes that expose them to unplanned back wages and legal fees.

Employers can avoid costly and aggravating claims by watching for common workplace missteps. These top five wage and hour mistakes are lurking undetected in many workplaces:

1. Salaried employees are not always exempt employees.
2. BlackBerry pitfalls. If employees use a BlackBerry, iPhone or other PDA to check or send e-mails or make business-related phone calls outside of "normal" working hours, then that time may very well be compensable work time.
3. Contractor questions. Employers often misclassify workers as "independent contractors" instead of as employees.
4. "Voluntary" overtime. Employers must pay employees for all hours that they are "suffered or permitted" to work, even if the employee is working "off the clock."
5. Bonus blunders. Non-exempt employees must be paid overtime for hours worked in excess of 40 in a workweek, based on what is called the "regular rate" of pay, but many employers fail to calculate the proper regular rate for overtime payments.

The biggest mistake employers make is assuming that their wage and hour practices are sound. While these are five of the most common errors, employers are often guilty of other wage and hour infractions, including making improper salary deductions, failing to pay for training and travel time, and failing to completely relieve employees from duty during unpaid break time. Make sure that your workplace is free of wage and hour problems before the problems find you.

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