

*Your Greatest Asset May Also Be
Your Greatest Liability*



**HUMAN RESOURCE
PROCESS AUDITS**

apt Applied
Psychological
Techniques, Inc.



The Impact of Class-Action Employment Litigation

Class-action employment litigation is one of the most costly threats to your corporate bottom line. Yet, with an HR process audit from APT, you can help your organization avoid becoming a target.

Why Conduct an APT HR Process Audit?

Simply put, our HR process audits are a cost-efficient, proactive method for you to check whether your company's HR practices are efficient, valid and legally defensible.

APT's staff of organizational psychologists has worked extensively with defendants' and plaintiffs' counsel on major class-action employment litigation. This experience has revealed that class-action claims are often the product of unintentional discriminatory practices within organizations—undetected flaws in HR processes.

APT's HR process audits are thorough and systematic examinations of your internal HR processes from a risk management perspective. We work with your internal or external counsel to find faulty processes and identify how to fix your systems or implement new systems as required.

Recent class actions against major corporations have resulted in huge settlements and massive changes to HR processes:

Coca-Cola:\$192,000,000

Texaco:.....\$176,000,000

Home Depot:\$87,500,000

Rent-a-Center: .\$.47,000,000

How to Avoid Paying Class-Action Settlements

A growing trend in employment class-action cases is to claim that an employer has discriminated against current employees in a broad range of HR practices, including promotion, pay, access to development and succession planning. In this type of complaint, the validity and legality of virtually every HR process will be called into question. That can lead to lengthy, costly legal action.

We recommend a seven-step approach to maintaining HR processes that will minimize the risk of having to settle or litigate class-action employment claims:

- 1 Document Job Requirements:** The major activities of the job should be documented and updated—when job requirements change, so should the documentation.
- 2 Make HR Systems Job-related:** The most elemental feature of any HR system is job analysis. HR processes depend on having valid, job-related data.
- 3 Structure Subjective Decision Making:** The assessment of job competencies should be structured and limited to those competencies that are critical to job success. Even decisions which rely on subjective data can be structured to improve standardization and consistency of evaluation.
- 4 Train Managers:** Proper manager training can ensure consistency across evaluations, increase rater accuracy and decrease bias.
- 5 Conduct Quality Reviews and Statistical Monitoring:** Creating and maintaining quality records, taking remedial action and holding managers accountable are key to ensuring the continued effectiveness of your systems.
- 6 Provide an Appeal Process:** Formalized appeal processes go beyond "open door" policies—they monitor appeal results insuring the legitimacy of the option.
- 7 Communicate With Employees:** Inform employees of assessment criteria and encourage two-way communication—promote organizational successes in recognizing and increasing diversity, fairness and objectivity.

Why Work With APT?

At APT, we specialize in conducting company-wide employment-practice audits. We provide you with "an ounce of prevention" that is smart, cost-effective and totally discreet. What's more, we are prepared to defend the recommendations we make and the systems we put in place. We have more experience at this than any firm of our kind.



For more information about our HR process audit services, visit our Web site at www.appliedpsych.com or e-mail us at info@appliedpsych.com.



Kathleen Kappy Lundquist, Ph.D. **President, APT**

Dr. Lundquist is co-founder and president of APT. She is a nationally recognized expert in organizational psychology who has consulted with Fortune 100 employers for more than 20 years on the design and implementation of HR processes. Her clients range from multinational corporations in the finance, pharmaceutical, aerospace, technology and communications fields, to government and not-for-profit employers.

An expert in the area of employment discrimination, Dr. Lundquist has consulted with both defendants' and plaintiffs' counsel in employment discrimination cases and has testified as an expert witness in numerous such cases. She has also been selected and has served as an expert approved by both defendants' and plaintiffs' counsel to help carry out the provisions of consent decrees in employment discrimination class-action suits.

About APT

APT is a full-service HR consulting firm headquartered in Darien, CT, with regional offices in the Atlanta, Seattle and San Jose metropolitan areas.

APT was co-founded in 1995 by Kathleen K. Lundquist, Ph.D., and John C. Scott, Ph.D. Since its inception, APT's staff of organizational psychologists, HR professionals and IT specialists have devised sophisticated strategies and practical solutions to help Fortune 100 organizations select, develop and retain their top talent. APT is a certified member of the Women's Business Enterprise National Council (WBENC).

For more information about APT and our services and products, visit our Web site at **www.appliedpsych.com** or e-mail us at info@appliedpsych.com.



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