





Question of the Week

February 19, 2025

Question

What is at-will employment?

ANSWER

At-will employment means that the employer or the employee can end the employment relationship at any time, with or without notice, and with or without cause. It does not, however, allow an employer to terminate someone for an illegal reason, like their inclusion in a protected class or their exercise of a legal right.

Every state (except Montana) assumes the employment relationship is atwill unless there is a legal agreement in place that says otherwise. Assuming you want to maintain the at-will relationship with employees, we recommend including clear language about this in your employee handbook.

Keep in mind that even with an at-will relationship, terminations carry risk. A terminated employee can always *claim* that they were terminated for an illegal reason, at which point you'll want to be able to show otherwise. To reduce that risk, you should have and document a lawful, business-related reason for each termination. This reason should also generally be shared with the departing employee, so they understand the legitimate reasons they were let go and are less likely to come up with their own theory, which may include discriminatory motive.

You can find more information on <u>employment termination</u> and <u>at-</u> <u>will employment</u> on the platform. If you would like more information on drafting an employment contract, please contact an attorney. This Q&A does not constitute legal advice and does not address state or local law.