

## For Business Owners, Checkups Now Can Save Trouble Later

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While working with business executives on their day-to-day decisions, as well as representing them in court, I frequently find ways a business can take steps to prevent certain problems before they occur. I wanted to share a few ideas with you.

Think about it: a good business checks its technology systems and its internal controls as preventative measures. But when was the last time you reviewed your contracts and agreements? Are you taking advantage of recent laws and addressing new issues that have arisen?

Here are five things you may want to check now to prevent problems later:

- 1. The employment status of those working for you.** Are they employees or independent contractors, and which do you want or intend them to be? If anyone's working terms or conditions have changed, or if you've brought on new people, this may have caused a change that you need to address. When was the last time you reviewed your employment agreements, employee handbook, or code of conduct?
- 2. Policies affecting how your company does business.** From harassment and discrimination to unauthorized social media and e-mail usage, you're in the best position when your understanding of the law and your handbook policies are up to date.
- 3. Agreements to protect confidential information.** Has everyone with confidential information agreed to confidentiality or nondisclosure? Leaks can ruin years of investment and destroy competitive advantage.
- 4. Employee termination and separation agreements.** Reviewing these is important to make sure your procedures and accommodations are consistent, and protect your business from future problems with former employees.
- 5. Agreements with vendors or customers.** Many companies have changed the way they do business with others, whether by changing payment terms, remedies for errors, choice of law provisions, or other terms and conditions. These changes, because they are made to forms or boilerplate text, may not seem important—but they can be substantive and consequential. If your business relies on these kinds of relationships, it's a good idea to make sure these agreements reflect your best interests.

Relationships are key to a business. Take stock of them now to prevent expensive distractions.

As you look toward 2014, how are you checking up on your business and planning for next year? Let me know by emailing me at [lesses@ctswlaw.com](mailto:lesses@ctswlaw.com).