

WHAT WOULD IT LOOK LIKE TO BE MORE EFFICIENT?

An investment in Practical Law Canada quickly pays for itself in saved costs and maximized efficiency. Many subscribers recoup their subscription cost on one matter alone. Compare your costs to the estimates below and see how much time and money you could save.

SAMPLE EFFICIENCY CASE DEPARTING EMPLOYEE

Situation: Your company has decided to terminate an employee and, like all companies, is worried about the risk of litigation. To protect your company's interests, you need to assess the reason for termination; determine the extent of the company's liability to the employee under contract, common law and statute; take steps to protect the company's confidential information and intellectual property; create a termination package; draft a termination letter; and prepare a full and final release for the employee to execute in exchange for the termination package.

ROUTE A

Starting from scratch in-house

You need to determine whether your termination letter and the release in your drawer meet your needs, and how you may need to update these documents.

You review the documents, research and speak to outside counsel to assess any litigation risks that the departing employee poses.

This work takes approximately 2-6 hours of your time and an additional 2.5 hours of outside counsel's time (senior associate, at \$300 per hour).

TOTAL COST = 2-6 hours of internal time + \$750 in legal fees

ROUTE B

Using outside counsel

You ask outside counsel to create a termination package.

The employee negotiates the terms of the package, which increases outside counsel's fees.

In addition, the firm advises you on best practices for termination and issues surrounding tax and potential liabilities, which increases your bill.

This work takes approximately 8 hours of associate time (\$300 per hour) and 1.5 hours of partner time (\$400 per hour).

TOTAL COST = \$3,000 in legal fees

ROUTE C

Drafting in-house using Practical Law Canada

With a subscription to Practical Law Canada – Employment, you have the guidance and precedents you need to move from the employee's departure to an enforceable release. Starting with [Practice Note, Structuring the Termination Package](#), you work through the steps of assessing liability and creating a termination package.

You then adapt one of a range of termination letters that explains the termination package (for example, [Termination Letter: Lump Sum](#)), and pair that letter with the appropriate release template.

All precedents are kept current. They are complete with drafting notes that help you understand the issues and how to best customize the document for your purposes, without having to explain each detail to outside counsel.

Practical Law Canada resources also help you understand best practices related to departing employees (for example, [Calculation of Notice Damages](#)).

This work takes approximately 2 hours of your time.

TOTAL COST = 2 hours of internal time

Which route looks most appealing to you?

ABOUT PRACTICAL LAW CANADA

Practical Law Canada helps law departments practice smarter, operate more efficiently and advise their business more confidently. Our expert team of lawyer-editors creates and maintains up-to-date, practical resources that reflect the latest law and practice. Learn more and request a free trial at www.practicallaw.ca or call 1-844-717-4488.