

At-Will Employees May Sue Their Employer For Misrepresentation Of Intended Job Duties

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A recent California Court of Appeal decision confirms that a California employer may be liable to an at-will employee who relocates to accept a new employment position, when the employer's description of the kind or character of the job was misleading. In the case *Kenneth Allen White v. Smule, Inc.*, the Court of Appeal reversed a trial court decision to grant summary judgment in favor of the employer, after the trial court found that an at-will employee could not rely on an employer's assurances of long-term employment. The Court of Appeal found that, although an at-will employee may not relocate with an expectation of long-term employment, an at-will employee could rely on an employer's misrepresentations concerning other aspects of the promised employment, including the kind and character of the job.

In the instant dispute, the Plaintiff employee alleged that while interviewing for the job, the employer told him it "was planning aggressive expansion over the course of the next few years and needed an experienced project manager to lead in building out and managing teams of project managers" in the San Francisco area. Relying on the employer's representations, the Plaintiff employee accepted the position and relocated from Washington to California. Five months later, the employer eliminated the Plaintiff employee's job position, and the Plaintiff employee's employment, saying that it had moved the position to its Bulgaria office. Based on these facts, the Court of Appeal found that a trier of fact could conclude that the employer "never intended to employ someone in the lead project manager position [and] instead desired nothing more... than a consultation or improvement plan on how [the company] could enhance its operations."

California Labor Code section 970 prohibits employers from inducing an employee to relocate and accept employment with knowingly false representations regarding the kind, character, existence, or duration of work. The Court of Appeal's decision establishes that an employer may not cite to at-will employment alone as a defense to an employee's claim under section 970. Even in the context of at-will employment, an employer may still violate section 970 by mischaracterizing job duties, job title, reporting structures, compensation, working hours, benefits, or other terms and conditions of employment.

Employers can mitigate the risk of an employee making a section 970 claim by thoroughly evaluating staffing needs prior to extending an offer of employment, and detailing the terms and conditions of employment, including a detailed description of proposed job duties, in a written offer of employment.

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