

# EMPLOYING DOMESTIC STAFF: BEST PRACTICES AND INTERVIEWING TIPS

For a long-lasting and safe relationship between family members and employees, families should consider following the same rigorous hiring and management procedures that are used in the business world. Be sure to check off the following steps during the hiring process:

- Job description:** The job should be described in written detail, including all responsibilities to be performed by the employee, the work schedule, and the specific requirements of the job, such as international travel or lifting 40 pounds.
- Required documents and permissions:** The family should collect a resume, references, identifications, and a permission release for a background investigation.
- Interviews:** The family should use the job description to structure the interview questions regarding the experience of the candidates. They should pay attention to the applicant's demeanor, especially clues that may indicate a personality disorder or character flaw. Read more on the next page about questions to ask during an interview.
- Background investigation:** Thorough background investigations should be conducted by a professional security firm experienced in working with household employees. The firm should have the ability to investigate criminal and DUI records both out of state and out of the country, as well as any charges without conviction.
- References:** A good rule is to obtain four professional references and four personal references (other than family members). Families should contact all references via telephone and ask questions that will provide a better understanding of the candidate's moral character and actual work history. Having personal conversations reveals more than exchanging emails or text messages.
- Signed employment agreement:** When extending an offer, families should have the applicant sign an agreement that clearly outlines a detailed scope of responsibilities, compensation, tax treatment, work schedule, and employment requirements.
- Employee manual:** Staff should also receive a customized manual to reflect the individual work environment and expectations. It should address things like general employment information, HR policies, and causes for termination.
- Non-disclosure or confidentiality agreement:** The importance of a confidentiality agreement cannot be emphasized enough — especially in these days of social media exposure. Even during interviews, the prospective employee can gather sensitive information about the family.

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## Domestic Staff Interviewing Tips and Questions — Provided by Teresa Leigh Household Risk Management

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When hiring a long-term employee, allow at least 120 days for the interviews, tests, and background investigations. Schedule first interviews outside of the private home and limit the personal information offered to candidates — e.g., names of children, schools, and place of work. Do not introduce candidates to children before completing a thorough background investigation. Instruct candidates to bring a completed handwritten application, as well as a professional resume and two different formal color copies of photo identifications. Have a trusted friend sit in on the interviews for another opinion. Interview top candidates at least twice, and ask all candidates the same questions to make comparisons easier.

### Questions to Ask in an Employment Interview

1. Tell me about yourself.
2. What is your greatest strength?
3. What is your greatest weakness?
4. How do you problem solve?
5. Tell me about your last position.
6. What did you like most about the position? Least?
7. Tell me about your last employer.
8. What did you like most about the employer? Least?
9. Do you have reliable transportation to and from work?
10. What is something you are most proud of?
11. What interests you most in this position?
12. How would you describe yourself?

### Questions NOT to Ask in an Employment Interview

1. How old are you?
2. What church do you attend?
3. What country are you from?
4. What is your birthday?
5. Are you a U.S. Citizen?
6. What religious holidays do you observe?
7. Do you have or plan to have children?
8. When will you retire?
9. Do you smoke or drink?
10. Do you have any disabilities?

## Securing Proper Insurance

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Be sure to discuss the following coverages with an expert independent agent or broker, and ask about the differences between a standard policy and a policy provided by a carrier such as ACE that specializes in serving high net worth (HNW) families:

- Employment Practices Liability Insurance (EPLI):** Protects families when an employee sues for a wrongful employment act, such as wrongful termination, discrimination, or sexual harassment. HNW policies often include reputation damage defense coverage for the services of a public relations firm, a key concern when the allegations in the lawsuit become public knowledge.
- Workers Compensation Insurance:** Covers medical treatment, lost wages, rehabilitation, retraining, compensation for permanent injuries, survivor benefits, and other damages resulting from job-related injuries, illness, or death.
- Homeowners and Valuables Insurance:** Check that the home policy covers stolen or damaged property on a replacement cost instead of actual cash value (depreciated) basis. HNW homeowner policies often include coverage for identity fraud expenses, unauthorized use of credit/debit cards, and forged checks. Most valuable items should also be listed on a valuables policy, and HNW valuables policies will often pay the market value of an item in case of a total loss up to 150 percent of the scheduled amount.
- Automobile Insurance:** If the worker is driving a family-owned vehicle, the family's auto policy generally acts as the primary coverage and would cover bodily injury and property damage to others involved in an accident caused by the employee. In this case, consider having the employee named as a driver on the family's policy. If the employee drives his or her own car for on-the-job duties, check that the employee holds adequate amounts of auto coverage, not just the state-mandated minimums.
- Umbrella Liability Insurance:** Protects families against high stakes liability lawsuits arising from accidents involving a serious injury by providing coverage over and above the underlying homeowner and auto policies, which often do not include more than \$500,000 in liability coverage. A HNW umbrella policy can offer up to \$100 million in additional coverage. A good rule of thumb is to match the umbrella coverage amount to family's net worth plus future income.

Read our entire white paper, *Managing the Risks of Employing Domestic Staff*, at [www.aceprs.com/whitepapers](http://www.aceprs.com/whitepapers). For more information about Teresa Leigh Household Risk Management, visit [www.teresaleigh.com](http://www.teresaleigh.com).



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