



AMERICAN
ARBITRATION
ASSOCIATION®

INTERNATIONAL CENTRE
FOR DISPUTE RESOLUTION®

Employment/ Workplace Disputes



adr.org

American Arbitration Association®

About Us:

The American Arbitration Association (AAA®) is a not-for-profit organization. The AAA role in the dispute resolution process is to administer cases, from filing to closing. The AAA provides administrative services in the U.S., as well as abroad through its International Centre for Dispute Resolution® (ICDR®).

The AAA aims to move cases through arbitration or mediation in a fair and impartial manner until completion.

AAA services include the design and development of alternative dispute resolution (ADR) systems for corporations, unions, government agencies, and law firms.



Types of Employment/Workplace Disputes

Alternative dispute resolution (ADR) procedures in workplace disputes are becoming more common.

They can be found in:

- **Employment contracts** and
- **Employee handbooks**



Types of Employment Agreements

Employer Plan

The employer has drafted a standard arbitration clause for with all its employees

Executive/Negotiated Employment Agreement or Contract

The employee has had the ability to negotiate the terms and conditions of the employment agreement

Independent Contractor Agreement

Working or performing as an individual and not incorporated with a business or organization and the dispute involves work or work-related claims, including any statutory claims.



Administrative Review of the an ADR Plan



- The AAA's policy on employment ADR emphasizes adherence to the law and impartiality.
- It oversees employer plans that comply with the due process standards in its Employment Arbitration Rules, Mediation Procedures, and the Due Process Protocol.
- If the AAA determines an employer deviates from the minimum due process standards of the Rules and Protocol, the AAA may decline to handle cases under it, with other matters left for the arbitrator to resolve.



Employment Fees

Filed by Individual:

Individual: Non-refundable filing fee capped at **\$350**, unless the clause provides the individual pay less.

Company: Non-refundable filing fee of **\$2,100** and balance of individual's filing fee when the clause provides the individual to pay less.
Case Management Fee **\$750**

Filed by Company:

Non-refundable filing fee of **\$2,450** is payable in full by the company.
Case Management Fee **\$750**

Arbitration compensation is paid by the company.

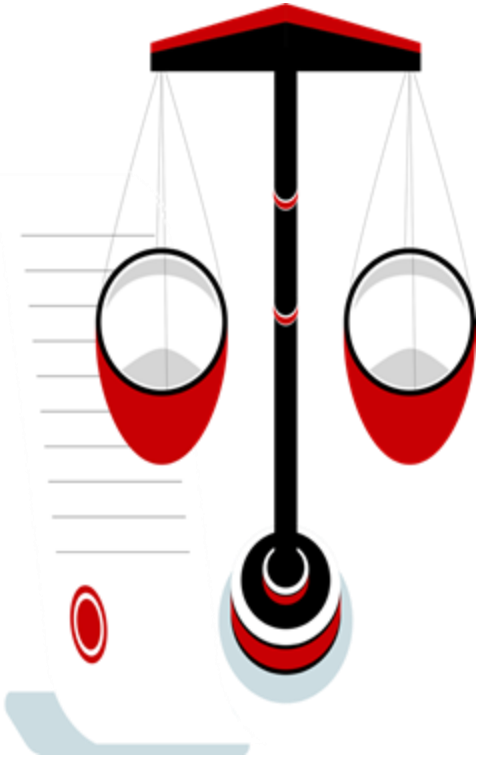


Employment Due Process Protocol

The goal of the Protocol is to ensure **fairness** and **equity** in resolving workplace disputes.

KEY PROVISIONS:

- Employees have the right to be represented by a spokesperson of their own choosing.
- Access to all information relevant to their claims.
- Right to an independent and impartial mediator and/or arbitrator.
- Mediators and arbitrators shall have knowledge of the statutory issues at stake in the dispute.
- Mediators and arbitrators shall attend training provided by government agencies, bar associations, academic institutions, etc.
- No party shall have unilateral choice of arbitrator.
- Full conflict disclosure regarding contacts between the arbitrators and the parties.
- Arbitrator shall have no personal or financial interest in the matter.
- Arbitrator should be empowered to grant whatever relief would be available in court under the law.



Employment Discovery Protocols

AAA has developed two sets of initial discovery protocols to encourage early exchange of documents and targeted discovery to increase the speed and efficiency of the arbitration process.

- **Initial Discovery Protocols for Employment Arbitration Cases**
- **Initial Discovery Protocols for Fair Labor Standards Act Cases**

The Employment Protocols Fact Sheet is available on [adr.org](https://www.adr.org)



Individual Filings Statistics from 2023

3,888 Individual Filings

Top 5 States

- California
- Texas
- Florida
- New York
- Illinois

Top 5 Industries

- Healthcare
- Retail
- Restaurant/Food Services
- Financial Services
- Transportation



Settlement Rates and Award Data

MOST CASES SETTLE



2,464

CASES SETTLED



3,308

of cases closed in 2023 regardless of filing year

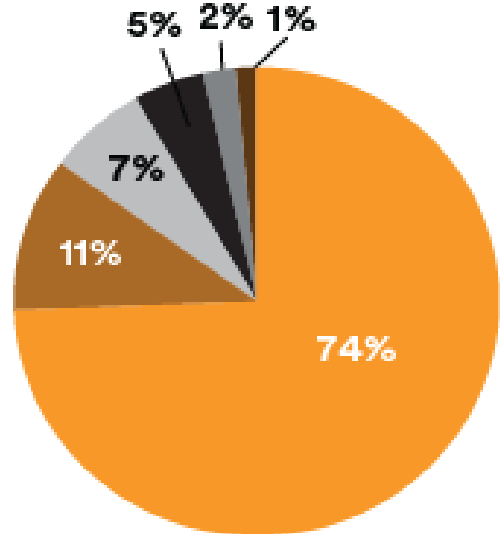


353

of cases awarded in 2023

Disposition Breakdown

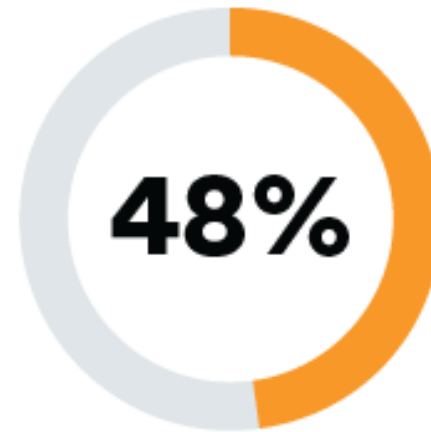
Settled	2,464
Awarded	353
Withdrawn	219
Dismissed	159
Administrative	76
Consolidated	37



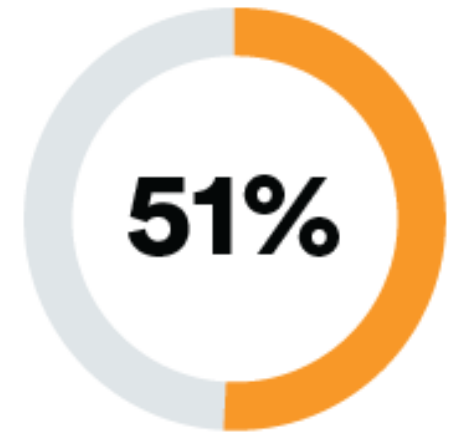
AAA's Commitment to Panel Diversity and Employment Panel Data

The AAA's Mission and Vision statement asserts a "shared commitment to a diverse Roster of Arbitrators and Mediators." The AAA Roster is composed of 34% women and racially and ethnically diverse panel members, and this figure is increasing. AAA division executives around the U.S. actively recruit women and racially and ethnically diverse candidates who meet the criteria established for panels.

COMMITMENT TO DIVERSITY



DIVERSE ROSTER



DIVERSE APPOINTMENTS



AAA[®] EMPLOYMENT CASE ARBITRATION ROAD MAP

REACHING RESOLUTION



Arbitration is the out-of-court submission of a dispute to an impartial third party or parties for a binding decision. The AAA arbitration administration process comprises a well-defined set of steps by which most employment cases proceed. For more information, visit www.adr.org/employment.

FILING AND INITIATION	ARBITRATOR SELECTION	MANAGEMENT CONFERENCE	INFORMATION EXCHANGE AND PREPARATION	SETTLEMENT / MEDIATION	HEARING	POST-HEARING SUBMISSIONS	THE AWARD
<p>DAY 1 – 15</p> <p>The AAA typically commences administration of an arbitration case when one party submits a Demand for Arbitration, a copy of the arbitration provision from the contract between the parties, and when all filing fees have been satisfied. The AAA acknowledges receipt to all parties and provides a list of arbitrators and their curriculum vitae from the AAA National Roster of Arbitrators who are experienced in the field of employment law. A deadline is established for the parties to return their arbitrator lists and for respondent to answer and/or file a counterclaim. If no arbitration clause exists or the AAA is not named as the resolution provider in the parties' contract, cases may commence with the consent of all parties, a filed Submission to Dispute Resolution, and all appropriate filing fees to the AAA.</p>	<p>DAY 15 – 35</p> <p>The parties are encouraged to agree on an arbitrator(s). If the parties are unable to agree, and have not provided any method of appointment, each party will independently state its preferences from the list. The AAA invites the most mutually agreeable arbitrator(s) to serve on the case.</p>	<p>DAY 35 – 75</p> <p>Conducted by the arbitrator typically via conference call, this management conference is the first time the parties and arbitrator discuss the substantive issues of the case and procedural matters, such as exchange of information, witness lists, and dates. The Scheduling Order, which serves as the framework for hearing preparations, is established.</p>	<p>DAY 75 – 327</p> <p>61% of arbitrations that settle are resolved after the parties have started exchanging information and preparing for the hearing. The length of this phase can vary greatly, depending on the amount of information agreed to be exchanged by the parties. In order to make this phase more streamlined and efficient, the parties are encouraged to utilize the AAA's Initial Discovery Protocols for Employment Arbitration Cases. Taking multiple depositions along with voluminous requests for production and interrogatories can dramatically increase the length of this phase as it raises the chance of discovery disputes between the parties. This causes scheduling delays that often impacts the hearing dates. Limiting the scope of discovery to the most relevant information and forgoing depositions in exchange for affidavits can lessen the time needed for this phase and bring the parties to a more speedy resolution.</p>	<p>DAY 327 – 328</p> <p><i>Mediation is discussed during the management conference call and parties are encouraged to engage in mediation. 80.2% of employment arbitrations are resolved prior to final award.</i></p>	<p>DAY 327 – 328</p> <p>Parties present testimony and evidence to the arbitrator.</p>	<p>DAY 328 – 390</p> <p>If the arbitrator allows, parties may submit additional documentation, usually shortly after the hearing.</p>	<p>DAY 390 – 420</p> <p>The arbitrator closes the record and, no more than 30 days later, issues a decision addressing all claims raised in the arbitration. The award may direct one or more parties to pay another party a monetary amount, or it may direct parties to take specific actions. Aside from any administrative matters unrelated to the merits of the case, the services of the arbitrator and the AAA are completed when the award is issued.</p>
<p>EXPECTED COSTS AT THIS STAGE</p> <p>The filing fee paid by the parties is due at the time of filing. Filing fees are based on the Employment/Workplace Fee Schedule. There is no filing fee for a counterclaim. No refunds are available under the Employment/Workplace Fee Schedule.</p>	<p>EXPECTED COSTS</p> <p>None.</p>	<p>EXPECTED COSTS</p> <p>After the management conference call, the AAA may require deposits in advance of any hearings to cover the arbitrator's anticipated compensation and expenses. The employer or company shall pay the arbitrator's compensation unless the employee or individual, post dispute, voluntarily elects to pay a portion of the arbitrator compensation.</p>	<p>EXPECTED COSTS</p> <p>A non-refundable case-management fee will be assessed to the employer or company 90 calendar days after the date of receipt of a Demand for Arbitration. Should the case close for any reason within 90 days of the receipt of the Demand for Arbitration, the case-management fee will not be charged.</p>	<p>EXPECTED COSTS</p> <p>The parties are responsible for the mediator's compensation plus an AAA fee of \$75 for each hour charged by the mediator.</p>	<p>EXPECTED COSTS</p> <p>The arbitrator is compensated for time spent in hearings, reviewing evidence, and reasonable expenses, such as mileage and tolls.</p>	<p>EXPECTED COSTS</p> <p>The arbitrator is compensated for reviewing evidence and any post-hearing submissions, as well as drafting the award. Any unused deposits are returned to the parties after the Award is rendered.</p>	<p>EXPECTED COSTS</p> <p>The arbitrator's compensation and expenses are not subject to reallocation by the arbitrator(s) except upon the arbitrator's determination that a claim or counterclaim was filed for purposes of harassment or is patently frivolous.</p>



- Minimum of 10 years experience in employment law with fifty (50) percent of practice devoted to this field, retired judges, or academics teaching employment law.
- Educational degree(s) and/or professional license(s) appropriate to field of expertise.
- Honors, awards and citations indicating leadership in the field.
- Training or experience in arbitration and/or other forms of dispute resolution.
- Membership in a professional association(s)
- Other relevant experience or accomplishments (e.g., published articles).

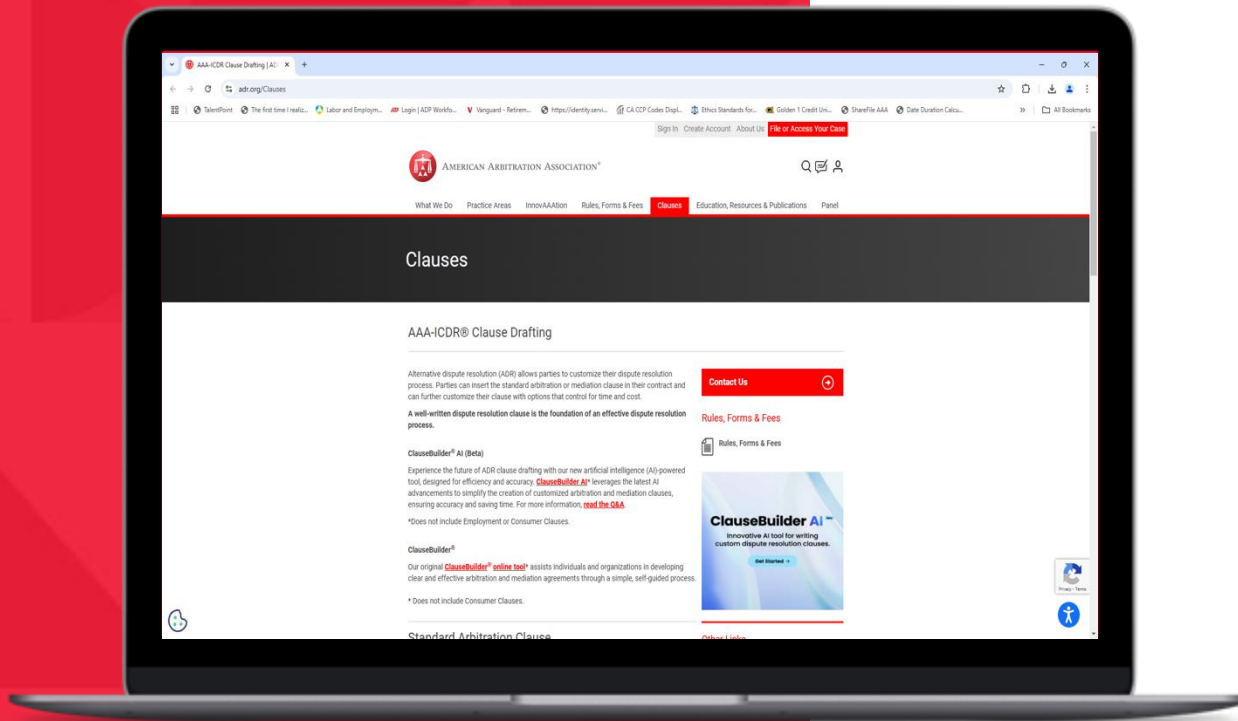
Qualification Criteria for Members of the AAA Panel of Employment Arbitrators



Where can I find an AAA Clause?

www.adr.org/Clauses

www.clausebuilder.org





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