

Jury Verdicts in Wrongful Termination Cases

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Abstract

This study examines 639 jury verdicts in California wrongful termination cases reported between 1992 and 1996, and 396 jury verdicts in Texas wrongful termination cases reported during the same period. The study concludes that while the number of jury verdicts reported has increased substantially over this period, the increase has been almost entirely accounted for by an increase in the number of lawsuits alleging unlawful discrimination. After reaching a peak in 1994, the number of verdicts reported annually now seems to be holding steady.

The study reveals that the amount of compensatory and punitive damages awarded in wrongful termination cases is volatile, with the average and median verdicts varying by 20% or more from year to year, sometimes in opposite directions. Changes in the law, however, have made it harder for employees to recover damages, particularly by completely eliminating punitive damages in cases based on a breach of contract. Further, where punitive damages are still available, California juries appear to be less inclined to award them than they were a decade ago.