Student's Name
October 20, 2015

Murray v. Principal Financial Group, Inc.
613 F.3d 943 (9th Cir. 2010)
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Facts
Plaintiff Patricia Murray sold a wide variety of financial products and services for defendant Principal Financial Group (and in limited circumstances, for other companies as well). Murray brought suit against Principal under Title VII for gender discrimination.

Procedure
This is an appeal to the 9th Circuit Court of Appeals. The District Court dismissed her case, finding that she was not an "employee," but rather an "independent contractor" and therefore not able to bring an action against Principal under Title VII..

Issue(s)
What is the appropriate test to use in order to determine whether the plaintiff is an "employee" or an "independent contractor" for purposes of Title VII?

Discussion
The court reviewed the three tests that the district discussed. First, there is a "common law agency" test, under which the hiring party's right to control the worker is most important. Second, there is an "economic realities" test, under which the court must look at the "economic realities" of the particular relationship. Third, there is a "common law hybrid" test, which combines the first two tests.

This court held that there is no functional difference between the three tests. A court should evaluate "the hiring party's right to control the manner and means by which the product is accomplished." The court referred to a list of relevant factors enunciated in a prior case by the Supreme Court of the United States:

> [1] the skill required; [2] the source of the instrumentalities and tools; [3] the location of the work; [4] the duration of the relationship between the parties; [5] whether the hiring party has the right to assign additional projects to the hired party; [6] the extent of the hired party's discretion over when and how long to work; [7] the method of payment; [8] the hired party's role in hiring and paying assistants; [9] whether the work is part of the regular business of the hiring party; [10] whether the hiring party is in business; [11] the provision of employee benefits; and [12] the tax treatment of the hired party

In weighing these factors in this case, the court decided that Murray was an independent contractor rather than an employee. While there were a few factors that favored Murray being an employee (the fact that she receives some benefits, has a long-term relationship with Principal, has an at-will contract, and is subject to some minimum job requirements), most of the factors weighed heavily in favor of her being an independent contractor. These included the fact that she was free to operate her business without intrusion by Principal, that she decided where and when to work, that she maintains her own office for which she pays the rent, that she schedules her on off-days and is not entitled to sick days or vacations, that she is paid on commission only, that she reports herself to the IRS as self-employed, and that she sometimes sells products from companies other than Principal. The court concluded that Principal did not control the manner and means by which Murray sold its products, and that therefore, Murray was not an employee of Principal.