



Small Biz Strategies
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This is the final segment of a three-part series focusing on human resource issues in the workplace.

We will look at the issues of employee discipline, rewarding employees and the record keeping of documents.

Employee discipline/progressive discipline

Company disciplinary policies should be in writing. Companies should clearly state work rules and guidelines and specific disciplinary actions that may be taken for violations of those rules and guidelines. All employees need to receive a copy of these policies. It is a good practice to have all employees read and sign a statement that they have read, understand and will comply with policies and procedures as well as understand the disciplinary policies for failure to comply.

Discipline does not mean automatic termination. In all but the most serious cases, you will want to try to avoid terminating employees, especially if they are good workers with a past positive work record. In fact, terminating a worker without some form of discipline policy and procedure could land you in front of a judge. Without a clear policy and evidence that the policy was used for the terminated employee, you could end up in a "your word against his/her word" situation.

Dealing with problem employees is the hardest part of the discipline process (confronting the employee eye to eye). You are faced with making a decision about whether to coach, counsel or come down like a ton of bricks on the individual. Not a simple task. Be sure that prior to making any decisions (always business and never personal) that you conduct a complete investigation in order to properly assess the situation. This is a process that you must master if your discipline program is to be worth its salt. And let's not forget the importance of documenting disciplinary actions. Such documentation protects your business and justifies any actions you have taken against the employee.

The progressive discipline process it typically a four step process:

Step #1 Verbal Warning (counseling and restatement of workplace expectations). Counseling is performed by the employee's immediate supervisor. The process:

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Employee is met with and expectations regarding performance are discussed in detail.

Behavioral concerns/performance deficit is agreed upon by both parties.

Resources are provided for improvement as well as time frame to show improvement.

Consequences for non-improvement are discussed and noted.

Conversation is properly documented.

Step #2 Written Warning: At this time, the immediate supervisor may want to consult the Human Resources department (if company has one). After an investigation, follow the procedure outlined in Step #1 above for the counseling process, with the exception of providing documentation to the employee in a letter of reprimand.

The letter should outline previous informal efforts and the current problem. Be sure to list the date of the previous warning within this warning (shows a pattern of performance and helps justify supervisor's actions). Place a copy of the signed warning in the employee's personnel file. **NOTE:** Always give the employee the opportunity to read and review a written warning.

Allow employees to give "their side of the story." Also request their signature at the bottom of the document. Some will refuse. In this case, bring in another supervisor to the discussion, ask for the signature again and when refused a second time, document the refusal at the bottom of the warning and verifying it with the signature of the second supervisor. It is important to inform the employee that their signature does not mean that they agree with what is written in the warning. Their signature will signify that the content of the warning was discussed with them and that they have received a personal copy of the warning.

Step #3 Suspension: Take the necessary time to completely investigate the infraction, collecting all of the facts, and then following up by a discussion with the employee. Review previous progressive disciplines (Step #1 & #2) and the current problem. Spell out the length of time for suspension in writing. Be clear. Identify further discipline and possible termination as a potential consequence for not meeting and maintaining standards for improvement. Follow signature procedures as noted in Step #2 above.

Step #4 Termination: Letting an employee go may be necessary when discipline is not successful in improving performance. Review the work history and record of progressive discipline with H.R. (if company has this department). Schedule a final meeting with the employee. At that meeting the employee will be provided a let-

ter of termination. During this final meeting collect all company property (keys, company identifications, manuals, uniforms, etc.) If a female supervisor is terminating a male employee, consider having a male supervisor also attend the termination session. Follow signature procedures as noted in previous steps above.

Progressive disciplinary actions will normally begin at the lowest step in the progressive discipline process, but may be advanced dependent upon the seriousness of the infraction or offense. The best time and place to inform employees about the company's disciplinary program is during a new employee orientation (onboarding) and in content listed in the company's employee handbook (policies pertaining to workplace code of conduct).

Recognizing and Rewarding Employees

The principle of employee recognition and award programs is to say "thank you," "great job," "you're appreciated," "WOW," or "we truly value you as an employee." For an employee recognition and award program to work, it must be custom-made to fit your organization's culture. It is also important to note that "one size does not fit all" when receiving recognition and/or rewards. The level of value and worth placed on the recognition and reward comes from the side of the one receiving it, not giving it.

Employee recognition and awards can take many forms such as thank you notes, pins, plaques, award ceremonies, trips, electronics, company products and services, cash, assignment of a mentor, attending educational workshops, newspaper articles, and employee photo in the company newsletter. The nice thing about employee recognition awards is that the number of ways to say thank you for doing the "right thing" is unlimited. And they are not necessarily expensive.

Here are five ready-to-use recognition and reward programs for consideration:

Star Quality Award: Awarded to employee for suggestions leading to the raising of quality service or standards.

Associate of the Month: Awarded two ways. For outstanding contribution in assigned department or for providing assistance to another department outside their area of responsibility.

Team Spirit Award: Awarded two ways. Outstanding department effort or in competition with other departments throughout company.

Einstein Award: Awarded to employee who has successfully completed the largest number of educational programs over a specific period of time.

Team Player of the Quarter: Awarded

to employee for support given to fellow co-workers (co-workers nominate).

Recordkeeping

Managing employee records is essential. The system used should encompass employment history, payroll records, I-9 Forms, medical information, protected status and confidential information. All employees' files should be appropriately secured. The company should develop criteria to evaluate requests to view records, using the "need to know" standard. It is critical for a business owner to review state laws (in which their company does business) on file access and record retention.

Essential records must be maintained as long as the actual need exists. These include records legally required for insurance audits, worker's compensation, and government inspections. Retaining records on such issues as management and employee training and education, safety and security meetings, policy statements, and medical arrangements is encouraged, and in some cases, required by federal or state agencies.

Following are a few websites that may be helpful:

Business Owner's Toolkit (www.toolkit.com): This site allows you to click on your state to see the requirements your state has relating to wage and hour record-keeping.

HRhero.com (www.hrhero.com): Contains information on documentation retention laws for employers

Record Retention Requirement Summary Guide (www.lindquist.com): Information related to recruitment, employment selection, compensation, benefit plans, drug and alcohol testing, discrimination charges, leave of absences, etc.

NOTE: The above website addresses and content are subject to change at any time. However a search on the internet for information pertaining to file and record retention is available to anyone taking the time.

If there is a particular topic that you would like Dr. Clark to address in an article drop him a note at BusinessEssentials@smartbizonline.com

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