



St. Lawrence
College

Employment
Service

MANAGING HUMAN RESOURCES

A Guide For Small Business Owners

**EMPLOYMENT
ONTARIO**

**MANAGING HUMAN RESOURCES:
A GUIDE FOR SMALL BUSINESS OWNERS**

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Employment Service**

A human resource strategy can help you decide when to hire, train and even change the face of your business. A human resource strategy is an essential component of an overall business strategy. Develop policies and procedures to ensure every employee in the business is treated fairly. This means understanding the techniques and requirements for effective hiring, promotion and dismissal.

A human resource plan helps you identify what types of people are needed to execute the operating plan, and the operating plan requires clear business goals. These goals should be measurable focusing on sales, profits, quality, and turnaround times.

Once your goals are set, you should analyze your human resource needs i.e. technical skills and people skills. Next estimate costs of salary, benefits and training. Can you afford it? If not, you may need to rethink your whole strategy, or maybe your goals. Trying to do too much with too little will inevitably give you problems down the road.

Small businesses can quickly outgrow their human resources, so review your plan every 12 to 18 months to ensure you still have the right capabilities. It is also important to groom promising individuals to manage growth opportunities or unexpected departures in the future.

A couple of tips for success include:

- Plan for turnover; begin training people for the future.
- Balance short-term labour fluctuations with part-timers.
- Utilize local agencies to assist with your employment needs.
- Use co-op or summer students, this is also a good potential recruitment source.
- Hire the retired.

When selecting employees, remember: **“ATTITUDE, ATTITUDE, ATTITUDE”**. Anything can be learned with a positive attitude. It is the best indication that the right person is in the right job.

QUESTIONS TO INCLUDE ON A PERFORMANCE APPRAISAL FORM

- Employee name
- Date of appraisal
- Job title
- Time interval since last evaluation
- Responsibilities and relevant skills required for the position
- Assigned goals
- Rating system for each evaluated component
- Comment section for each component
- Action plan with timeline for future improvements
- Signature declaration

SOFT SKILLS TO EVALUATE AT A PERFORMANCE REVIEW

- Ability to take on new responsibilities
- Listening skills
- Verbal communication
- Written communication
- Ease of sharing information with others
- Flexibility and open-mindedness
- Creative problem solving skills
- Self-development
- Ability to handle change
- Decision-making skills
- Dependability
- Ability to handle pressure and uncertainty
- Willingness to accept constructive criticism
- Ability to work independently
- Role orientation in a team
- Time management skills

QUESTIONS TO AVOID

1. Reason for name change, whether by court order or marriage.
2. Do not ask for birth certificates, age or baptismal records.
3. Do not ask if applicant is single, married, divorced, engaged, separated, widowed or living common-law.
4. Do not ask about pregnancy, child bearing plans, or child care arrangements.
5. Do not have males and females fill out different applications.
6. Do not ask whether an applicant's spouse may be transferred.
7. Do not ask about the spouse's employment.
8. Do not ask nationality of ancestors, spouse, or other relatives.
9. Do not ask for proof of citizenship.
10. Avoid asking mother tongue.
11. Avoid inquiry about race or colour, including colour of eyes, skin, or hair.
12. Avoid asking about religious affiliation, church membership or frequency of church attendance.
13. Do not ask if applicant has a disability, limitations, or health problems.
14. Do not ask applicant if they drink or use drugs.
15. Do not ask if applicant has received psychiatric care or has been hospitalized for emotional problems.
16. Do not ask if the applicant has ever received worker's compensation.
17. Avoid asking if the applicant has ever been convicted, arrested, or has a criminal record.
18. Do not ask the applicant's sexual orientation.
19. Do not ask the number of children or dependants they have.
20. Do not ask about their political affiliation.

HIRING

Most businesses rely on an average of 4-5 sources to locate potential employees. Each search channel has its strengths and weaknesses. Begin your search by having a well-defined idea of what you want. Filling a position is the perfect opportunity to evaluate not only that job, but perhaps other positions within your company with similar responsibilities as well.

A couple of things to consider:

- Can some of these responsibilities be transferred to another position?
- What skills, experience and education are required for this position?
- What skills must a new employee bring to the job and what can they learn on the job?

A review of responsibilities will make the hiring process easier. Recruitment based on key responsibilities will encourage the qualified and discourage the unqualified.

Encourage existing employees to refer prospective employees to your attention. Referrals often make good employees because the applicant knows about the hiring company from the referring employee and comes to the job interview with realistic expectations.

There are a number of resources for hiring prospective employees:

- Local and national advertising *i.e. newspapers, job banks*
- Local Agencies *i.e. Youth and Adult Employment Centers*
- Government programs *i.e. Employment Ontario, Human Resources Development Canada, Ontario Works*
- Colleges, Universities *i.e. St. Lawrence College, Queen's University, Algonquin College, Carleton University, University of Ottawa, and La Cité Collégiale*
- Unsolicited applicants (walk-ins), referrals from other staff, and other business associates.

THE INTERVIEW

Before interviewing candidates for a position learn what the job is all about and don't go by an out-of-date job description. Do your homework and think hard about the type of person you want filling the position. Hire people who mesh with the company culture. Employees leave 90% of the time because their personalities clash with the culture.

Some small business owners prefer to interview and hire by themselves. Consider opening up the interview to other employees, especially supervisors and potential co-workers. Employees involved in the interview are more likely to buy into the final decision. In *Appendix 1*, we have provided a list of sample questions you may want to use in the interview.

Interview styles vary widely and human resource experts have boiled down seven of the most common mistakes interviewers make:

- I. Ignorance:** Prepare for the interview by reading the candidate's resume. Look for unexplained gaps, contradictions or unfinished business. If this leaves you with questions, ask them and listen carefully to the answers.
- II. Inattention:** Do not allow interruptions during the interview. Answering the phone or permitting disruptions insults a candidate and shows your workplace in a poor light.
- III. Verbosity:** Try not to talk too much during an interview. Let the candidate speak and listen carefully. Ask the candidates what they want before you tell them what you expect.
- IV. Inconsistency:** Ask everybody for the same information so that you can compare. Stick to a standard checklist of questions – it may be boring by the fifth interview, but it will support your ultimate goal. (See Appendix 1 Typical Interview Questions)
- V. Aimlessness:** Covering irrelevant details reveals more about you than the candidate. Try asking a candidate to give a specific experience of a difficult on-the-job situation.
- VI. Mismanagement:** Always stay on track in the interview.
- VII. Procrastination:** Don't take too long to make a decision. Keep your interview process reasonable and non-bureaucratic. Good candidates find and accept other offers quickly.

TYPICAL INTERVIEW QUESTIONS

- 1.** Tell me about yourself.
- 2.** Why should we hire you?
- 3.** Have you ever done this kind of work before?
- 4.** What do you know about our company?
- 5.** Why did you leave your last job?
- 6.** What was your last employer's opinion of you?
- 7.** What personality traits do you have that make you successful?
- 8.** What are your long-range goals?
- 9.** Do you prefer working with others or by yourself?
- 10.** What kind of boss do you prefer?
- 11.** What sort of equipment (or computer software, etc.) can you operate?
- 12.** Can you work well under pressure of tight deadlines?
- 13.** Are you thinking of going back to school or college?
- 14.** What do you think determines a person's progress in a company?
- 15.** Why did you decide to enter this field?
- 16.** How would you typically handle a conflict situation?
- 17.** Tell me about a time when you needed to adjust to someone else's working style in order to get something done.
- 18.** Tell me about a difficult decision you have needed to make recently.
- 19.** Tell me about a time when you had to compromise. How did you do it?
- 20.** When are you available for work?

PAYROLL DEDUCTIONS

To obtain the necessary forms and a computerized version of the Payroll Deduction Table, contact Canada Customs and Revenue Agency directly or check their website.

Available materials:

- Employer's Guide: Payroll Deductions and Remittances (T4001)
- Payroll Deductions Online Calculator (PDOC)
- Form TD1: Personal Tax Credits Return
- Payroll Deductions (Basic Information)
- Payroll Deductions Table (T4032)
- Payroll Deductions Supplementary Tables (T4008)
- Tables on Diskette (TOD) (T4143)

Contact Canada Customs and Revenue Agency if you have any additional questions. More information is available online at www.cra-arc.gc.ca/ or call 1-800-959-5525.

RECRUITMENT

HIRING A DISABLED PERSON

In many cases, hiring a person with a disability doesn't have to be any different than hiring a person without a disability. Many employers indicate in their postings a worded reference to "equal employment opportunity" or a stated interest in receiving applications from qualified applicants with disabilities. Prospective candidates will feel assured that the organization is committed to these principles and practices.

When it comes to the interview process, you will want to ask all of your candidates if they have any needs that will require accommodation during the interview. Do not ask specific questions about the applicant's disability (unless he/she introduces the topic) even if the disability is obvious. Some applicants will voluntarily explain how their disability relates to their ability to do the job, but others will not.

Always put the person before the disability and avoid questions that are not job related. Give the applicant the opportunity to explain how they will perform the essential functions of the job. Remember the person with the disability is usually the best expert and they often encounter situations requiring creativity, flexibility, and resourcefulness, three great skills or competencies to have in any employment or life situation.

Familiarize yourself with your company's own policies and practices and the federal and provincial rights legislation which is applicable to your organization. Human rights codes prohibit discrimination on the basis of disability; however, many applicants believe that disclosure of a disability will jeopardize their chances of even getting an interview. Some applicants will not disclose their disability until after an interview or even until a job offer has been extended. If an offer is made, it is appropriate to inquire if the employee will require any job accommodations and include any accommodation around safety issues and emergency procedures. The key point to remember is to focus on abilities and how the applicant will accomplish tasks and meet the goals and objectives of the position.

For more information, please check the Ontario Human Rights Commission website at www.ohrc.on.ca.

GROUNDS FOR DISCRIMINATION

The following is a list of grounds for discrimination that are prohibited in employment in Canada. This list has been provided by the Canadian Human Rights Commission:

- race or colour
- religion
- physical or mental disability
- dependence on alcohol or drugs
- age
- sex
- marital status
- family status
- sexual orientation
- national or ethnic origin
- language
- social condition or origin
- source of income
- based on association
- political belief
- record of criminal conviction and pardoned conviction

In *Appendix 2*, we have provided a list of questions to avoid asking during an interview in order to prevent discrimination.

For more information please contact:

- Ontario Human Rights Commission
1-800-387-9080
Toronto (416) 326-9511
www.ohrc.on.ca
- Canadian Human Rights Commission
1-888-214-1090
Ottawa (613) 995-1151
www.chrc-ccdp.ca

As an employer you must make regular deductions from your employees' pay cheques. The employer is responsible for deducting income tax, Canada pension Plan (CPP) and Employment Insurance (EI) premiums and remitting to the Canada Customs and Revenue Agency at regular intervals: large corporations on a monthly basis and the small business owner quarterly.

- **Canada Pension Plan (CPP)** provides financial assistance to Canadians when they retire from the workforce. Both employee and employers contribute to the CPP, but the employers are responsible both for deducting CPP contributions from the employees' pay cheques and for matching those contributions themselves. This means that if you deduct \$10.00 from an employee's pay cheque, you must all contribute \$10.00. Therefore, \$20.00 will be sent to the Canada Customs and Revenue Agency.
- **Employment Insurance (EI)** is a federally administered insurance program that gives financial assistance to people who are unemployed. It can also assist people to get training for jobs. The employer is responsible for deducting EI premiums from your employees' pay cheques based on their earnings. The employer must also make contributions to EI on behalf of the employee. The employer's contribution is slightly more than the employee's.
- **Income Tax.** As the employer you are also responsible for deducting income tax from the salaries, wages and other remunerations you pay your employees. A TD1 form will need to be completed by the employee and payroll deductions will be based on salary range.
- **The T4.** This report has to be completed by the employer showing salary, wages, taxable benefits and any other deductions for the year. This report needs to be given to the employee no later than the end of February following the calendar year to which the form relates.

Section 26 of Construction Regulation 213/91 states that construction employers in Ontario are required to ensure that every worker who may use a fall protection system is adequately trained in its use and given adequate oral and written instructions. Training records are to be kept and available for Ministry of Labour inspection. The Construction Safety Association of Ontario (CSAO) offers the Basics of Fall Protection program which enables participants to recognize common fall hazards and identify and apply basic fall procedures. For more information, contact them at 1-800-781-2726.

The Ministry of Labour has the authority and responsibility to enforce the law. The Act also sets out the powers of Ministry of Labour inspectors. An inspector may:

- Enter any workplace at any time without warrant or notice.
- Take up or use any machine, device or article.
- Conduct or test any equipment or machine.
- Require any equipment or machine be operated.
- Make inquiries of any persons in a workplace.

The role of the Workplace Safety Insurance Board (WSIB) is to promote safe and healthy workplaces through education and training. They design return to work programs for injured workers and administer the premiums employers pay based on their type of business, number of employees and safety performance.

Workplace Hazardous Materials Information System (WHMIS) was implemented in 1988 through federal and provincial legislation. Employers should provide training to employees on the safe handling of hazardous materials before they use chemicals and this will also help them identify hazards in the workplace to prevent injuries and illnesses.

Material Safety Data Sheets (MSDS) provide technical and practical information to help protect employees in the safe handling, storage, and usage of hazardous chemicals in the workplace. The MSDS sheet will provide product information, hazardous ingredients, physical data, fire and explosive data, reactivity data, toxicological properties, preventative measures, first aid measures and preparation date.

For more information please contact:

- The Workplace Safety & Insurance Board
1-800-387-0750
www.wsib.on.ca

EXIT INTERVIEWS

An exit interview is an important procedure for employees leaving your workplace. As much as possible, every employee - whether they are dismissed or quitting - should be asked a set of standard questions that you choose. These questions can uncover problems that the employer was unaware of, or suggest changes that can help improve job retention. Typically, these questions are asked verbally or as a written questionnaire, but electronic questionnaires are becoming common as well.

Below is a list of sample exit interview questions that you may wish to use. Feel free to customize this list, or add questions that are specific to your business. Keep in mind that you should ask every employee leaving the same position the same questions - this will help you create statistics and get a more clear idea of how you're doing.

Sample Exit Interview Questions:

- What is your primary reason for leaving?
- What was most satisfying about your job?
- What was least satisfying about your job?
- Did you receive enough training to do your job effectively?
- What would you improve to make our workplace better?
- Were you happy with your pay, benefits, and other incentives?
- What was the quality of the supervision you received?
- Would you consider working for this company in the future?
- Would you recommend working at this company to a friend?
- Any other comments?

It is important to allow the employee who is leaving the chance to provide you with open-ended feedback. The last question listed above - "Any other comments?" - is one possible way to solicit this feedback. If none of your other questions touch on the employees' concerns, this is an area for them to say anything that they feel strongly about.

RECORD OF EMPLOYMENT

A Record of Employment (ROE) is the most important document for Employment Insurance (EI). Service Canada uses this document to determine whether a person qualifies for EI benefits, the benefit rate, and the duration of this funding. The ROE is used to control EI and to prevent misuse of EI funds. Every employee should be issued one, even if they do not intend to apply for EI benefits.

The ROE should be issued within five calendar days from the date that your employee's earnings are interrupted. An interruption occurs when an employee quits, is laid off or terminated, or has had seven consecutive calendar days without both work and insurable earnings (except for real estate agents or employees paid mostly by commission). An interruption also occurs when the salary falls below 60% of normal weekly earnings due to illness, injury, quarantine, pregnancy, the need for a parent to care for either newly born or adopted children, or the need to provide care or support to a family member who is gravely ill with a significant risk of death.

For part-time, on-call or casual workers, a ROE does not need to be issued unless:

- It has been requested by the employee or by Service Canada
- The employee is no longer on your active employment list
- No work has been performed in thirty days

A Record of Employment can either be filled out on a paper form or electronically. For more information, visit the Service Canada website, or call them at 1-800-0-CANADA (1-800-622-6232).

The Service Canada guide to the ROE:

www.servicecanada.gc.ca/eng/ei/employers/roe_guide.shtml

The ROE WEB website to fill out an ROE online:

<https://blrscr3.egs-seg.gc.ca/gol-ged/ei-ae/roe-re/pub/>

A small company with 6 or less staff is required to have a trained Health & Safety Officer on staff. A company with 6 or more staff is required to have a Joint Health & Safety Committee which consists of an advisory group of work and management representatives, who meet regularly to discuss health and safety concerns and make recommendations. A working member of the committee (preferably one who is certified) must be chosen to inspect the workplace monthly if possible. For very large organizations, this is not practical. In these cases, the committee should establish an inspection schedule ensuring that at least part of the workplace is inspected each month and the entire workplace is inspected at least once a year. Upon inspection of the site, if the working member of the committee identifies any safety hazards, a report should be drawn up and sent to the Manager/Supervisor requesting 21 days to correct the hazard.

Employers have the major responsibility for health and safety in the workplace. They have an obligation to:

- Take every precaution reasonable for the protection of the worker;
- Provide equipment, materials and protective devices, maintained in good condition;
- Carry out prescribed procedures;
- Provide information, instruction and supervision to workers to protect their health and safety;
- Acquaint workers with hazards in the workplace and handling, storage, use, disposal and transportation of chemicals, etc;
- Develop and post an occupational health and safety policy;
- Ensure that safe work procedures are developed and implemented for all jobs.

Workers also have specific duties under the Act. They must:

- Work in compliance with the Act and regulations;
- Use and/or wear protective equipment where required;
- Report defects or absences of equipment where required;
- Report defects or absences of equipment; and
- Not use equipment/machinery that may endanger themselves or others.

Federal and Provincial Occupational Health and Safety Act require that all employers provide safe and healthy conditions for all their employees. The philosophy behind the law is known as the internal responsibility system. Although the term is not mentioned in any legislation, the Ministry of Labour's guide to the Act makes it clear that the government expects employers and workers to co-operate to control health and safety hazards.

The act places rights and duties on employers, workers, supervisors, and others in the workplace. The individual workers are given three essential rights:

- **The right to know** about workplace health and safety hazards.
- **The right to participate** in health and safety recommendations, through their representative on the joint health and safety committee.
- **The right to refuse** unsafe work if it endangers health and safety.

New employees need to receive safety orientation when they begin work. This orientation should be given by the Health and Safety Manager or their direct Manager/Supervisor. It should include a review of the company's safety policies and procedures.

The employer is required to prepare and review at least yearly a written occupational health and safety policy. All employees should familiarize themselves with the safety rules, which are company policy. A few company health and safety rules may include:

- Emergency procedures
- Proper lifting techniques
- Use of protective clothing
- Location of First Aid Kit
- Safety hazards to a particular job
- Noise and chemical control
- Fire extinguisher locations
- Health and safety training

Staff training on health and safety issues can be arranged through the Workers Safety Insurance Board (WSIB). For more information please call 1-800-387-0750.

DISMISSAL

So many issues surround employment that sometimes employees can seem more like a liability than an asset. Statistics show that employees are especially important in small businesses, where fewer of them make a greater individual impact.

The success of a company is linked to how it manages people. Small business owners need to control the ongoing development of their employees and motivate them to succeed. However, most employers will have to dismiss staff at some point in their career, and terminating the correct way will ensure against being sued and exposing your company to risk.

Develop policies and procedures to ensure every employee is treated fairly and as part of their orientation to your company make it mandatory that they understand these procedures. Document any problems or reasons for dismissal, and include records of communications with the employee explaining these concerns. The employee should be provided with this documentation giving them ample time to redeem themselves.

When terminating an employee, prepare a letter of dismissal and arrange a 5-10 minute meeting to privately and calmly explain the reasons for dismissal. Just causes for dismissal can include poor performance, excessive absenteeism, stealing and sexual harassment.

Notice: The Employment Standards Legislation states that when someone is dismissed without cause, an employee is entitled to a week's notice for each year of service. An employee with more than 3 months but less than 1 year service should get a 1 week notice. An employee with less than 3 months service does not need any notice. The courts can award a successful wrongful dismissal plaintiff about a month's salary for each year of service.

There is a right and a wrong way to dismiss someone; do it the right way and seek out advice if necessary. It could save you time and money in the long run.

IMPROVING EMPLOYEE SATISFACTION

Try to make the environment and culture a fun place to work. Focus on individual growth and learning for your staff. Measure staff on their personal objectives, as well as trying to correlate them into the company's business objectives.

Encourage everyone's participation in establishing the company's goals. Identify the company's vision, set goals and targets. By setting the bar high enough, people will generally deliver. Keep connected with your employees.

CREATING A COMPENSATION PACKAGE

Compensation is not just about salary anymore. Many companies have compensation "reward strategies" that link salary, bonuses, profit sharing, non-cash benefits and perks for everyone from senior management to backroom staff.

Three basic factors can drive successful reward strategies:

- **Compensation**
Salary must be competitive in relation to local market conditions, but you do not necessarily have to pay top dollar. It is a good idea to check with the Chamber of Commerce, Board of Trade, local Economic Development Corporation or the Provincial Government for local salary surveys.
- **Perks**
Do whatever you can to sweeten your basic compensation package with perks and non-cash benefits.
- **Healthy, Happy Environment**
Employers should never underestimate the value of an enjoyable environment. When workers are connected socially, it encourages them to stay.

HARASSMENT IN THE WORKPLACE

Workplace harassment is unsolicited conduct by a person, manager or co-worker towards another which can be malicious, offensive, hurtful or intimidating. It is a situation whereby the recipient is feeling uncomfortable in their working environment. You may think you have little control over the day-to-day behaviour of adults in your employment, but your company could be held liable for sexual harassment committed by one employee to another.

Sexual harassment is against the law; examples include:

- A person in power offering favours for a date
- Intimidating hallway behaviour
- Sexual remarks about gender, race or class
- Demeaning nicknames e.g. sexy, stud, babe
- Rude jokes or suggestive remarks
- Unwanted physical contact e.g. grabbing, patting, pinching

Sexual harassment is not:

- Sincere and personal comments
- Mutual flirtation
- A hug

If an employee has been sexually harassed, they should:

- Tell a co-worker, as the harasser usually has more than one victim.
- Tell the harasser that they do not like what they are doing - be direct. Identify the specific behaviours that are unacceptable, and tell the harasser that these actions need to stop.

If the harasser continues:

- Report the harasser to the Sexual Harassment Officer or Manager in the place of work

Employees need to feel comfortable that they can bring forward complaints without any retribution or embarrassment. Staff should be encouraged to be assertive, to defend their rights, values and beliefs. Teach them to speak out.

EMPLOYMENT STANDARDS

The following is a basic list of employment standards in Ontario relating to wages, overtime, hours of work, vacation, etc. For up-to-date standards, please contact your nearest Ministry of Labour Office or visit their website at www.labour.gov.on.ca/

- **Hours of Work:** For most employees in Ontario, the maximum number of hours they can be required to work is 8 hours a day and 48 hours a week. An employer and an employee can agree in writing that the employee will work more, but this may require special approval by the Director of Employment Standards.
- **Overtime pay:** Paid after an employee has worked more than 44 hours in any given week or 60 hours in any given week upon written mutual agreement. The overtime rate is time and a half. For example, if an employee earns \$12.00/hr, his overtime rate would be \$18.00/hr.
- **Breaks:** An employee must get at least 30 minutes for a meal break after five hours of work. An employer does not have to pay for this break time, and there is no obligation to give “coffee breaks”.
- **Daily:** An employee must receive at least 11 consecutive hours off work each day. The rule does not apply to employees who are on call and are called in to work during a period when they would not otherwise be expected to perform work.
- **Weekly or Biweekly:** Employees must receive at least 24 consecutive hours off work in each work week, or 48 hours off work in every period of two consecutive work weeks.
- **Gender:** Men and women doing the same job must get the same rate of pay. This is called “equal pay for equal work”.
- **Vacation Pay:** Most employees are entitled to two weeks of vacation with pay after being employed for one full year. The minimum vacation pay is 4% of the total wage for the year. If an employee quits or is fired before working the full year, they are still entitled to receive 4% of their total wages in vacation pay.
- **Quitting or Dismissal:** If an employee has been working for you for over three months, they require written notice, termination pay, or a combination of both. The amount of notice or pay depends on the length of employment and the number of employees being terminated.

**For more information about Employment Standards,
contact the Ministry of Labour Office at 1-800-531-5551.**

IMPROVING EMPLOYEE SATISFACTION

A recent survey by Richard Ivey School of Business in London, Ontario revealed leaders at Canada’s fastest growing small businesses think salary should be just 65-75 per cent of employee compensation, with the rest coming from performance related initiatives. The survey of PROFIT magazines top 100 companies over a three-year period showed up to three quarters offered some form of compensation payment apart from salary. Here are some to consider:

- Profit Sharing
- Pension Plan
- Dental Coverage
- Group RSP’s
- Medical Coverage

A HEALTHY ENVIRONMENT FOR GROWTH

Leadership is about creating an environment where other people can succeed. One thing you should consider within your company is to test the leadership temperature. Empower people, give them information, train them and then allow them to make mistakes. There are a lot of mistakes being made but if you have good leadership qualities within your organization, you will survive.

As the employer, you are also the motivator. Keep people happy and make sure you are giving them everything they need in order to do their job well.

Finally, it is important for employers to come up with ways of saying “thank you”. You are not going to go anywhere unless you have the support of your staff, therefore you should always be looking for creative ways of showing thanks for their efforts.

PERFORMANCE APPRAISALS

One important way that you can improve employee satisfaction is by establishing a performance appraisal schedule. Employee appraisals help to motivate and encourage the employee. These appraisals, when combined with positive coaching, will improve the likelihood that your employees will continually develop and take on increasingly challenging roles.

A regular annual performance appraisal will:

- Check that the needs of the employee and company are being met.
- Confirm the employee's understanding of company expectations.
- Increase the employee's knowledge of his or her personal strengths.
- Provide an opportunity to discuss areas for improvement.
- Foster a spirit of co-operation and teamwork.

DESIGNING AND CONDUCTING A PERFORMANCE APPRAISAL

A standard form for performance appraisals should have many components. The most basic components can be found listed in *Appendix 3*, but others may be added as you feel the need. Start with an up-to-date job description and be sure that the person conducting the appraisal has knowledge of the person or the job. Meet with the employee to discuss and clarify the contents of the appraisal. It is important to create a positive communicative atmosphere.

Proper and regular assessments can reduce turnover and training costs. Open and honest communication can increase productivity and job satisfaction.

There are many different methods that can be used to evaluate performance. Why not try:

- **Peer Reviews** create a sense of teamwork and an understanding of the role different positions have in achieving a common goal.
- **Self Evaluations** are more common in workplaces where individuals are self-directed and have their own specific goals to achieve.
- **Upward Appraisals** are used to evaluate management strategies by having lower-level staff assess their supervisor's coaching and motivating techniques.

An Employee Policy & Procedures manual is an essential tool for all business owners and one that communicates rules and expectations for employees. It can provide an opportunity for open communication between employer and employee. These manuals will differ from business to business, but an essential few topics to cover include:

EMPLOYEE CODE

This section can include hours of work, overtime, vacation, salary and benefits. Orientation, performance evaluations and job descriptions can also be covered in this section. You may also choose to include information on customer service, how to handle customer complaints and any other day to day activities that may occur. *(Please refer to Employment Standards Section)*

SEXUAL HARASSMENT

You may think you have little control over the day-to-day behaviour of adults in your employment, but your company could be held liable for sexual harassment committed by one employee to another. It is the responsibility of the employer to provide a policy outlining behaviours that are not acceptable within the workplace. *(Please refer to Harassment in the Workplace Section)*

HEALTH & SAFETY GUIDELINES

Complying with provincial and federal legislation, health and safety issues are an important component of this manual. Make employees aware of safety hazards, they have three essential rights – the right to know, the right to participate, and the right to refuse. *(Please refer to Health & Safety Section)*

EMPLOYEE MISCONDUCT

Employees should be aware of the procedures for termination or being reprimanded for tardiness, theft, persistent lateness and how each case is documented. Indicate grounds for dismissal, the number of warnings before dismissal, and the form these warnings will take.