

EmployerAdvisers.com

Spring/Summer 2014

# The Advisor

A GPBG Employer Advisers Publication

Updates and  
Advice for  
*your* Business  
and Personnel

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## FROM THE DESK *of the president*

**A**t this particular time of the year, poets have always waxed philosophically in verse about the weather. Such tomes as “April showers bringing May flowers” or “Rain, rain go away, come again some other day!” Clearly those poets have limited experience with the fickle nature of the climate of the northern plains.

The first of May has come and gone with snowflakes being a more common occurrence than “sun beams.”

What may you ask does weather have to do with our message to you in this newsletter?

The simple explanation is that both the weather and our current business climate require us to have a strongly developed *tolerance for ambiguity*. Large words which translate into the ability, in this day and age, to live the Serenity Prayer.

*“God grant me the Serenity to accept the things I cannot change, the Courage to*

*change the things I can, and the Wisdom to know the difference.”*

In our business climate today, so many elements seem to have spiraled out of our control. The old axiom, “work hard, be productive and be loyal,” guided many of us and our parents to long and productive careers. The

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# GPBG

## Employer Advisers

emblem of a “gold watch” given as a part of a retirement celebration in honor of the decades of loyal service is so outdated as to be a forgotten cliché.

The pervasive influence of government into the daily activities of our businesses is becoming legendary.

Here in North Dakota the “oil boom” mentality and impact has left us, as employers, shaking our heads while trying to find anything appearing as loyal, productive or hard working in candidates for our job openings.

With sub 3% unemployment, the Department of Labor classifies us as having, and this is precious, a negative

unemployment status.

The impact of this economic whirlwind on our state touches every aspect of our culture and quality of life.

Despicable challenges to our infra-structure, our educational system and criminal justice processes, to name a few, leave many of us longing for that time not so long ago that we were comfortable and secure in our “fly-over” status. That status has been summarily replaced with a bulls-eye target with North Dakota right smack in the middle. We have become the destination of choice for those who used to chase the gold rush rumors of 150 years ago. What’s more, they are bringing with them all the good, the bad, and

the ugly of those gold rush years.

North Dakotans are resilient and self-reliant, so this latest series of challenges are just that, situations and circumstances which draw upon our capacity to prevail. That capacity is founded in our incredible ability, when needed, to think outside the “box” or at the very least our current comfort zones.

A very wise man once said, “It’s not what happens to us that matters, rather we will be judged by our response.”

Hopefully “our response” will be to filter out the perceived negative elements these current times may present us, and focus our energies on the opportunities. Many of these are extraordinary possibilities that will reinforce the nature of us as Dakotans!

Viktor Frankl poignantly reminded us in his book, *Man’s Search for Meaning*, “**When we are no longer able to change a situation, we are challenged to change ourselves.**” ●



**"It's just the way  
we've always done it."**



knowledge, they are equipped to solve the challenges and problems.

Organizations that have a strong strategic planning process in place may realize the following **BENEFITS**:

- Encourages favorable attitude toward change
- Encourages forward thinking
- Clarifies individual's responsibilities
- Provides integrated

**S**trategic planning is a process—not just a written project plan—that helps an organization focus on how to succeed in the future. The strategic planning process involves careful analysis of three questions:

- Where is the company now?
- Where does the company want to go?
- How will the company get there?

Strategic planning integrates the goals and activities of major business functions of an organization—finance/accounting, marketing/sales, operations, information technology (IT), and human resources—in order to achieve organizational success. It can also be defined as the art and science of formulating, developing, implementing, and evaluating cross-functional decisions that enable an organization to achieve its objectives. Strategic planning is not just predicting the

future, doing financial projections, or agreeing on priorities. It is a **complete look at how to position an organization for the future.**

### The Benefits of Strategic Planning

Strategic planning enables an organization to develop and maintain a competitive advantage. Yet many organizations resist it. A common reason for neglecting strategic planning is that the process takes time. Answering questions about where a company is, where it wants to go, and

how it intends to get there requires that an organization commit time, attention, and resources (primarily people).

There are other reasons as well why companies may resist planning:

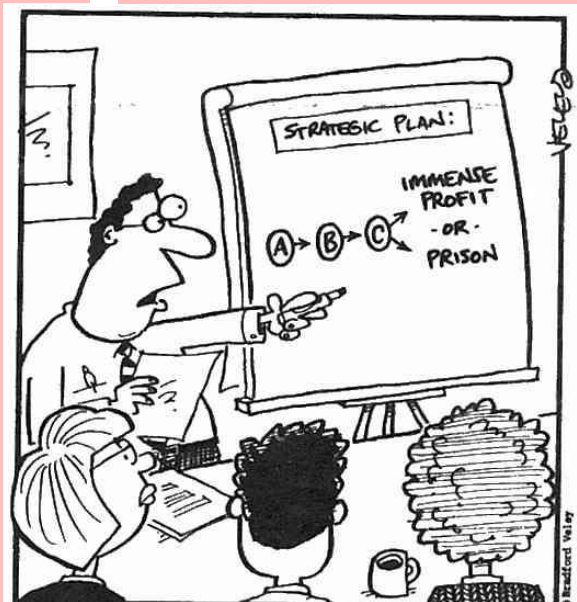
- They don't know how.
- They are uncomfortable with change.
- They simply don't see the benefits.
- They don't think they need it. If they've been doing well without strategic planning, they may think they can continue doing business in the same way indefinitely.
- They may not recognize external threats to their company that require a planned response.
- They may be panicking. If a company is not doing well, it may

fall into a pattern of trying one quick solution after another in an attempt to cure its woes.

These rationales can't outweigh the benefits of the strategic planning process. Strategic planning not only helps organizations to articulate their vision and direction; it ensures that various stakeholders can contribute, understand, and support the vision and strategy. Through this process, organizational leaders are taught to recognize the challenges and problems facing the company. With this

- approach to problem solving
- Decisions better support organizational objectives
  - Better allocation of time, resources, and activities
  - Identifies opportunities and threats to the organization
  - Increases organization's profitability
  - Creates proactive rather than reactive culture
  - Minimizes adverse effects of change

No, we at GPBG Employer Advisers do not subscribe to the strategic planning process depicted below, but we do find it comical, and hope that it brings a smile to your face. ●



**"Stay with me now, people, because in step C, things get a bit delicate."**

# MAINTAINING YOUR PERSONNEL FILES

Few of us enjoy dealing with paperwork, but taking the time to properly create and maintain employee personnel files will pay off in the long run. You will have all the important documents relating to each employee in one place, easily available when it's time to make decisions on promotions or layoffs, to

employee. Make sure that you include all periodic evaluations, raises, commendations, and disciplinary actions in your personnel files so you always have easy access to the information you need -- and to protect your company in case of a lawsuit.

This article explains what to keep in -- and keep out of -- employee personnel files.

## What to Keep in a Personnel File

You should begin a personnel file for each employee on the date of hire. Most, but not all, important job-related documents should go in the file, including:

- job description for the position
- job application and/or resume
- offer of employment
- IRS Form W-4 (the Employee's Withholding Allowance Certificate)
- receipt or signed acknowledgment of employee

- performance records of attendance or completion of training programs
- warnings and/or other disciplinary actions
- notes on attendance or tardiness
- any contract, written agreement, receipt, or acknowledgment between the employee and the employer (such as a noncompete agreement, an employment contract, or an agreement relating to a company-provided car), and
- documents relating to the worker's departure from the company (such as reasons why the worker left or was fired, unemployment documents, insurance continuation forms, and so on).

## Reviewing Personnel Files

You should **establish a time to periodically review each employee's personnel file**, perhaps when you conduct the employee's annual evaluation. During this review, consider whether the documents in the file are accurate, up to date, and complete.

## What Not to Keep in a Personnel File

Your personnel files should not be a receptacle for every document, note, or thought about the employee. Here are some areas to be careful about:

**Medical records.** Do not put medical records into a personnel file. If your worker has a disability, you are legally required to keep all of the worker's medical records in a separate file -- and limit access to only a few people. Even for workers who are not disabled, you may have a legal obligation to keep medical records private (and it's a

## PERSONNEL FILE CHECKLIST

BASIC INFORMATION	
Information	In File?
Full Name	
Employee # (if applicable)	
Home address (including zip)	
Date of Birth	
Gender	
Job title	
Basic payroll	

Information	Retention Requirements	Law	In File?
Employee name and any identifying number used in place of the name on any work	4 years from tax due date or payment of tax, whichever is later	Social Security Act	
Social Security Number	4 years from tax due date or payment of tax, whichever is later	Social Security Act	
Employee home address, including zip code	4 years from tax due date or payment of tax, whichever is later	Social Security Act	
Date of birth if the employee is under 19	3 years	FLSA Equal Pay Act	

file tax returns, or to comply with government audits. And if you have to fire a problem employee, careful documentation will protect you from legal danger.

In the worst-case scenario, a personnel file may turn into evidence in a lawsuit brought by a disgruntled former

handbook

- performance evaluations
- forms relating to employee benefits
- forms providing next of kin and emergency contacts
- complaints from customers and/or coworkers
- awards or citations for excellent



comments about an employee’s race, sex or religion will come back to haunt you. A good rule of thumb: Don’t put anything in a personnel file that you would not want a jury to see.

Recently, GPBG Employer Advisers, has been called upon by a handful of our clients to come into their offices and do an “audit” of their personnel files. Our clients knew that their personnel files may need either updating, or at least, reorganizing. We were able to come up with an efficient system to get our client’s personnel files up-to-date, organized, and most importantly: compliant with applicable mandates and regulations. If, when you think about your company’s personnel files, you cringe; please don’t hesitate to give us a call. We would love to be of service.



good idea to do so, in any case).

**Form I-9s.** Do not put Form I-9s into your employees' personnel files. (Form I-9 is a form from U.S. Citizenship and Immigration Services (USCIS), formerly the INS. You must complete an I-9 for all employees, verifying that you have checked to be sure that the employees are legally authorized to work in the United States.)

You should put all Form I-9s into one folder for USCIS. The government is entitled to inspect these forms, and if it does, you don't want the agents viewing the rest of the employee's personnel -- and personal -- information at the same time. Not only would this compromise your workers' privacy, but it might also open your business up to additional questions and investigation.

**Unnecessary material.** Although an employee's personnel file may contain any other job-related documents, don't go overboard. Remember that, in many states, employees have the right to view their personnel files. Indiscreet entries that do not directly relate to an employee’s job performance and qualifications -- like references to an employee’s private life or political beliefs, unsubstantiated criticisms or



### Drafting a Social Networking/ Social Media Company Policy

**T**he NLRB on May 30, 2012, issued its third report on social media cases brought to the agency. The report calls into question the legality of some wording employers commonly use in their Social Media policies. The NLRB Office of the General Counsel Division of Operations-Management’s May 30, 2012 Memorandum details seven cases involving such policies. Here is an excerpt from Acting General Counsel Lafe E. Solomon, “My previous reports touched on some of these

policies and rules, and they are the sole focus of this report, which discusses seven recent cases. In the first six cases, I have concluded that at least some of the provisions in the employers’ policies and rules are overbroad and thus unlawful under the National Labor Relations Act.”

Therefore, it is time for employers to either A) Review their company’s policy on Social Media Use, or B) Create a company policy on Social Media Use.

Whether they’re shooting off their own tweets or following others, employees

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using Twitter—the fastest growing social media site—are creating liability and PR risks with their 140-character rants, raves and company gossip.

**Example:** A high-profile public relations executive landed in Memphis and promptly posted on his Twitter account, “I would die if I had to live here.” The problem: Memphis is home to FedEx, one of the PR exec’s largest clients. Oops. Needless to say, FedEx reps were not amused.

The trend isn’t confined to Twitter, Facebook or other social media tools. Any kind of blog or video can spread your employees’ “youthful indiscretions” around the world in seconds.

**Example 2:** When two employees at a North Carolina Domino’s pizza

delivery store were bored one evening, one filmed the other sticking a piece of cheese up his nose and then placing it on a sandwich soon to be delivered to a customer. They posted the video on YouTube. More than half a million hits later, Domino’s had a viral gross-out PR nightmare on its hands and the health

department at its doorstep.

In an ideal world, both of these incidents would be covered by a policy reading, “For gosh sakes, people, use your heads!” But behavior is easier to legislate than common sense, which means crafting policies that rein in how employees may use technology on the

job.

### Defining the technology and the problem

According to a recent survey conducted by Deloitte, 22% of employees say that they use some form of social networking five or more times per week, and 15% of employees admit they access social networking while at work for personal reasons. Yet, only 22% of companies have a formal policy that guides employees in how they can use social networking at work.

Before we can figure out what to do about these exploding media at work, we first need to know exactly what we are dealing with. So, for the uninitiated, the following is a short lesson on the various types of social



### Facebook, Anyone?

Facebook now has more than 901 million active users worldwide. Chances are many (if not all) of your employees use the social network in the office via computer or smartphone at some point during the time when they should be working.

networking that are likely being accessed from your workplace right now.

**Blogs:** Blog is short for weblog. Blogs either provide commentary on news or a particular subject, or serve as an online diary. There are hundreds of millions of blogs on the Internet, many updated every day.

**Facebook:** Facebook started as an online tool for college and university students to connect with each other. It has since expanded to allow anyone over the age of 13 with a valid email address to open a free account. It is loosely organized into a variety of networks based on schools, location, employers, charities and other causes. Connections are known as “friends.” People update with short written blurbs about what they’re doing, pictures, video and the like.

**LinkedIn:** LinkedIn is an online network for professionals. It allows people to search and connect via alma mater, location, employer or various user-created groups. It has over 41 million members.

**Twitter:** Twitter is latest big thing in

social networking. It is known as “micro-blogging.” “Tweets” are text-based posts of up to 140 characters, displayed on the user’s profile page and delivered to followers, other users who have subscribed.

### Crafting the policy: The 7 key questions

A perfect social networking policy to cover these new media could be drafted using only a few words: “Be mature, be ethical, and think before you type.” Ultimately, you may

decide that such brevity is what you want for your business. For the sake of completeness, though, here are the seven most important questions to ask yourself when drafting a social networking policy.

1. **How far do you want to reach?** Social networking presents two

concerns for employers—how employees are spending their time at work, and how employees are portraying your company online when they are not at work. Any social networking policy must address both types of online use.

2. **Do you want to permit social networking at work, at all?** It is not realistic to ban all social networking at work. For one thing, you will lose the benefit of business-related networking. Further, a blanket ban is also hard to monitor and enforce.
3. **If you prohibit social networking, how will you monitor it?** Turning off Internet access, installing software to block certain sites or monitoring employees' use and disciplining offenders are all possibilities, depending on how aggressive you want to be and how much time you want to spend watching what your employees do online.
4. **If you permit employees to social network at work, do you want to limit it to work-related conduct, or permit limited personal use?** How you answer this question depends on how you balance productivity versus marketing return.
5. **Do you want employees to identify with your business when networking online?** Employees should be made aware that if they post as an employee of your company, the company will hold them responsible for any negative portrayals. Or, you could simply require that employees not affiliate with your business and lose the networking and marketing potential Web 2.0 offers.
6. **How do you define "appropriate business behavior?"** Employees need to understand that what they post online is public, and they have no privacy rights in what




**A**n emergency action plan (EAP) is a written document required by particular OSHA standards [29 CFR 1910.38(a)].

The purpose of an EAP is to facilitate and organize employer and employee actions during workplace emergencies. Well developed emergency plans and proper employee training (such that employees understand their roles and responsibilities within the plan) will result in fewer and less severe employee injuries and less structural damage to the facility during emergencies. A poorly prepared plan, likely will lead to a disorganized evacuation or emergency response, resulting in confusion, injury, and

they put out for the world to see. Anything in cyberspace can be used as grounds to discipline an employee, no matter whether the employee wrote it from work or outside of work.

7. **How will social networking intersect with your broader harassment, technology and confidentiality policies?** Employment policies do not work in a vacuum. Employees' online presence—depending on what they are posting—can violate any number of other corporate policies. Drafting a social networking policy is an excellent opportunity to revisit, update and fine-tune other policies.

If you would desire assistance in creating your own company Social Media policy, please contact us @ 701 258 0039 or email our team: [info@employeradvisers.com](mailto:info@employeradvisers.com) 

property damage.

Putting together a comprehensive emergency action plan that deals with those issues specific to your worksite is not difficult. It involves taking what was learned from your workplace evaluation and describing how employees will respond to different types of emergencies, taking into account your specific worksite layout, structural features, and emergency systems.

Most organizations find it beneficial to include a diverse group of representatives (management and employees) in this planning process and to meet frequently to review progress and allocate development tasks. The commitment and support of all employees is critical to the plan's success in the event of an emergency; ask for their help in establishing and implementing your emergency action plan. For smaller organizations, the plan does not need to be written and may be communicated orally if there are 10 or fewer employees [29 CFR 1910.38(b)].

At a minimum, the plan must include but is not limited to the following elements [29 CFR 1910.38(c)]:

- Means of reporting fires and other emergencies
- Evacuation procedures and emergency escape route assignments
- Procedures to be followed by employees who remain to operate critical plant operations before they evacuate
- Procedures to account for all employees after an emergency evacuation has been completed
- Rescue and medical duties for

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## Funny BUSINESS

**H**ere at GPBG Employer Advisers, we have to remind ourselves (sometimes on a daily basis) to not take ourselves so darn seriously. So we would like to use this "Funny Business" section of *The Advisor* to tell a few jokes/stories to brighten up your day. Enjoy!

### Let the Boss have the First Say:

A sales rep, an administration clerk, and the manager are walking to lunch when they find an antique oil lamp. They rub it and a Genie comes out.

The Genie says, "I'll give each of you just one wish."

"Me first! Me first!" says the admin. clerk. "I want to be in the Bahamas, driving a speedboat, without a care in the world." Poof! She's gone.

"Me next! Me next!" says the sales rep. "I want to be in Hawaii, relaxing on the beach with my

personal masseuse, an endless supply of Pina Colodas and the love of my life." Poof! He's gone.

"OK, you're up," the Genie says to the manager.

The manager says, "I want those two back in the office after lunch."

### Semantics

A boy asks his father to explain the differences between irritation, aggravation, and frustration.

Dad picks up the phone and dials a number at random. When the phone is answered he asks, "Can I speak to Alf, please?"

"There's no one named Alf here." The person hangs up.

"That's irritation," says Dad.

He picks up the phone again, dials the same number and asks for Alf a second time.

"No -- there's no one here named Alf. You have the wrong number. If you call again I shall telephone the police." End of conversation.

"That's aggravation."

"Then what's frustration?" asks his son.

The father picks up the phone and dials a third time: "Hello, this is Alf. Have I received any phone calls?"

### **Wrong email address:**

A couple going on vacation but his wife was on a business trip so he went to the destination first and his wife would meet him the next day.

When he reached his hotel, he decided to send his wife a quick email.

Unfortunately, when typing her address, he mistyped a letter and his note was directed instead to an elderly preacher's wife whose husband had passed away only the day before.

When the grieving widow checked her email, she took one look at the monitor, let out a piercing scream, and fell to the floor in a dead faint.

At the sound, her family rushed into the room and saw this note on the screen:

Dearest Wife,

Just got checked in. Everything prepared for your arrival tomorrow.

P.S. Sure is hot down here. ●°

those employees who are to perform them

- Names or job titles of persons who can be contacted for further information or explanation of duties under the plan

### **Am I required to have an EAP?**

Almost every business is required to have an emergency action plan (EAP).

If fire extinguishers are required or provided in your workplace, and if anyone will be evacuating during a fire or other emergency, then OSHA's 29 CFR 1910.157 requires you to have an EAP.

### **Questions to consider:**

1. Does our company have an EAP? If no, GPBG Employer Advisers strongly suggests creating one. If yes:
2. Has it been reviewed and/or updated within the last year? ●°



# UPDATES

We continue to remind our Clients that any Policy Manual which has not been reviewed or up-dated within the last three (3) years may be out dated. We provide the up-dating service as part of your Service Agreement.

## RECOMMENDED POLICY UP-DATES:

1. Give consideration to crafting a company Social Media/Social Networking Policy.
2. If your company does not have an Emergency Action Plan, create one. If you do have an EAP, review it and make any necessary updates.
3. Review and update your Personnel Files.

**Please feel free to contact us for this service at:**

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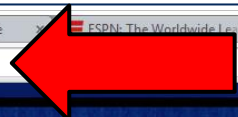
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Place GO GREEN in the subject

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### Our Mission

To partner with our clients to effectively maximize strategic positions regarding people assets and resource deployment with the opportunities they present for improved commerce.

Contact Us



## GPBG – Employer Advisers

Great Plains Benefits Group, Inc. is like a family medical practice for businesses and specifically business executives. Most people go to doctors primarily when they have symptoms of illness which defy their own abilities to self diagnose. A rare few go to their doctor to partner in staying well via an annual physical.

Great Plains uses state of the art diagnostic techniques to objectively evaluate companies, their resources, their relative position in their industry and their personnel to enable the decision makers of the company to plan and give vision to the company either with the intent of fixing what ails them or getting on to bigger and better events. Among the diagnostic techniques we employ, are behavior profiles, employee questionnaires, key management surveys and industry searches.

Paramount in our service to the client is the sentiment, "if it ain't broke, we don't fix it!", but if it is broke we don't pull any punches regarding the resolution to the problem. We report exclusively to the senior most decision makers of the client company and only to them. We do not perform either legal or financial advisory activities.

Back to the analogy of a Doctor with a patient, once we diagnose the ailment, we provide a series of remedies to relieve the problem and then, if requested, partner in keeping the patient, company well and growing.

### Roger A. Krueger, President

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