Employee Management Guide
Human Resources Guide to Everything

PACIFIC CREST GROUP

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Employee Handbook

Why Do You Need an Employee Handbook?

Every business needs an employee handbook outlining policies and procedures specifically created to suit its operations and its employees. A handbook template, while it may cover the minimum compliance requirements, won't be able to address unique operational needs. The employee handbook is usually the first place that workers go for information about important things such as vacation time, expense reports, sick leave, health insurance, etc. Therefore the handbook and personnel policies need to provide both a positive first impression and enough information to direct employees to the right supporting documents, such as the health insurance plan.

When it's properly designed, the employee handbook can eliminate a lot of questions and concerns, and can actually help define the corporate culture. It also helps protect you as the employer from a legal standpoint, providing written guidelines and rules that are defensible in the event of an issue over, say, promotion policies or vacation time. It provides clear guidelines for things such as expense reports and raises to eliminate uncertainty around what could be problematic gray areas. And wisely chosen benefit policies will both help retain good employees, and help control skyrocketing benefit costs.

Employee Handbook

What Questions Can An Employee Handbook Eliminate?

There are so many little issues and concerns that can be easily addressed in a well-designed employee handbook. You need to consider the company's finances and cash flow, employee retention strategies, corporate culture, and compliance issues. You also need to customize the handbook to accommodate the size of the company, managerial hierarchy, number of employees, and benefits offered.

If you create a solid employee handbook, it can serve multiple functions, including:

- Providing employees with important information about the company, its practices, and its work environment.
- Providing legal protection to employers by setting clear expectations and standards for employee behavior and compliance.
- Providing financial protection to employers by outlining benefits policies that are reasonable and that promote employee retention, and establishing guidelines around expenses.

If you don't do it right, an employee handbook can do more harm than good. For example, policies and procedures can be too rigid, limiting a manager's flexibility in dealing with things like performance issues. And if the policies are too general, then it's difficult to hold employees accountable for misconduct or infractions of company policy.

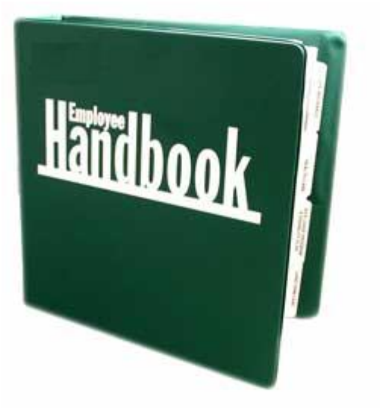
It's important to get professional insight to strike the right balance. You want to use your employee handbook as an extension of your company brand and culture, but you want to make sure it does the job when it comes to outlining policies and procedures and providing an appropriate level of protection. Developing an employee handbook is a task best left to experienced professionals, and it's something that no company should be without.

Employee Handbook

How To Create an Employee Handbook?

Creating an employee handbook may seem overwhelming, however, the majority of labor laws are standard rules that vary from location and city and the company specific items are the rules by which you will govern your business. Listed below are a few examples of areas that are important to decide and then communicate to create a standard culture of your choice.

- **About the company:** What is your company's history? What is your mission statement? And what are the goals you hope to attain? What work culture are you creating?
- **Compliance with federal rules:** Every company with at least 15 employees falls under federal guidelines and must comply with the regulations relating to equal opportunity employment, and non-harassment/non-discrimination. It is also wise in this section to outline the expectations of a drug-free workplace.
- **Benefits:** The new ACA regulations and various other ordinances in your area now require benefits to be offered. This section is where you will outline health insurance benefits, how vacation rules work and how your company deals with sick leave.
- **Employee Status:** This is where you will define how an employee is classified (full-time, part-time, on call), pay periods and how they can expect to be paid. Work Performance: It is important to explain how each employee will be evaluated and the expectations for their positions.
- **Discipline and termination:** If an employee is acting in a way that is contradictory to the policies of the company or legal limits, it's important to have the grounds for disciplinary action outlined, the procedures for pursuing those actions and the procedures for termination.
- **Acknowledgment of receipt:** In order to make sure that there is a record of the employee receiving the handbook, it's important to have them sign a 'handbook acknowledgement form'. The following disclaimers should be included: acknowledgment that this is not an employment contract, designation of at-will relationship, and the company's right to revise or terminate any policies at any time, for any reason.



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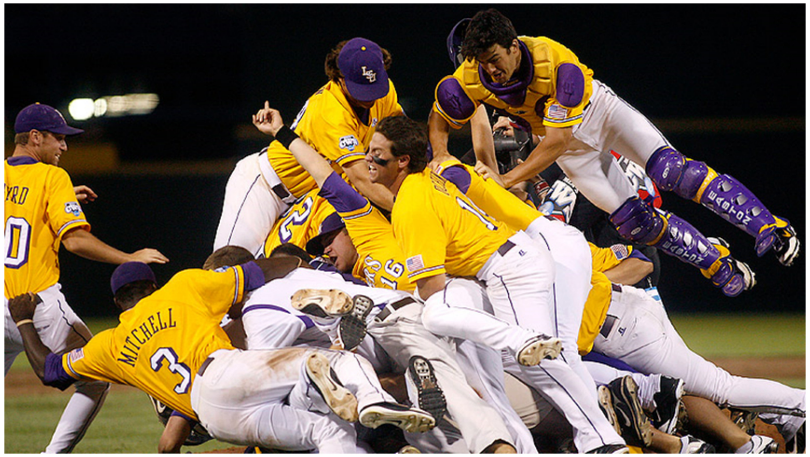
Building an Awesome Company Culture

- **Put your employees first.** Researchers agree that the best way to hire and keep top talent is to create a company culture where the best employees want to work, a culture in which people are treated with respect and consideration at all times. A classic, big-business example of someone who used the power of respect is David Packard, co-founder of Hewlett-Packard. Packard always showed unfailing respect for everyone who worked for him. He defined the HP culture and positioned his company as an enduring preferred employer. He also exemplified the pacesetting leadership style by setting high performance standards for himself--and his employees followed suit.
- **Maximize your best employees.** Although you may not be able to fill every position in your company even if you have a strong corporate culture, researchers say that one sure way to maximize your best employees is to place them in positions of great influence. For example, when unemployment in the Washington, DC, area dropped below 2 percent, David Grissen, Marriott International's eastern region executive vice president, met with his managers and decided to focus the company's hiring efforts on front desk employees because of the enormous impact they have on hotel guests. The resulting "Front and Center" hiring initiative brought together managers of every Marriott hotel in the region to improve the company's recruiting, selection and orientation programs for front desk positions. Potential employees for these positions must now undergo a minimum of four interviews and achieve a high score on a standardized evaluation metric.
- **Stay involved and use emotional intelligence**. Research indicates that one of the worst employment moves a small-business owner can make is disengaging from the hiring process. After all, it's your culture, your company and your leadership--why allow someone else to make your hiring choices?



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Avoiding the "Bad Hire"

The truth is that too often managers hire the wrong people in the first place. Interviewing potential employees is tricky at best, and most managers aren't trained in hiring procedures. Very few managers have been trained in effective interview techniques, and most business owners are unaware of the true cost of making a bad hire – which is potentially 3 times that employee's salary.

To avoid bad hires, you need to avoid some common traps into which many hiring managers tend to fall. Here are a few tips on avoiding the most common pitfalls that lead to a bad hire:

1. Know what you are looking for before you begin

Be well prepared for the recruiting effort. Understand exactly what skills and experience you need for the position, and know how to recognize the characteristics of a top performer. One of the biggest challenges for companies looking to hire new employees is they don't really think through the job criteria or how the new employee fits into the organization. You need to understand both the technical skills you are seeking as well as the intangibles that contribute to "fit."

2. Interview for behavioral traits, not just skills and experience

When you interview, be sure you look for what's beneath the specific skillset; who they are, what drives them, how and why they make decisions, how they interact with others. These traits are all as important as the positions they have held in the past, and they are more difficult to discover.

3. Hire for strengths, not lack of weakness

Nobody is perfect, and too often hiring managers look at candidates using a checklist that results in a hire for lack of weakness; whoever hits the most check boxes and looks less awful than the other candidates wins. Instead, look for strengths that match your criteria, and look for someone strong in those areas where you need strength. Remember that a good candidate with the right strengths can grow into a position, but if they lack the right characteristics to begin with, chances are they won't pick them up once they are on the job.

4. Never hire for untapped potential

People never fully develop their potential and hiring based on what might be. It's like buying land in the desert and hoping that global warming will increase the rainfall – the potential is there, but it's not likely to happen.

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Avoiding the "Bad Hire" (cont.)

5. Hire smart people

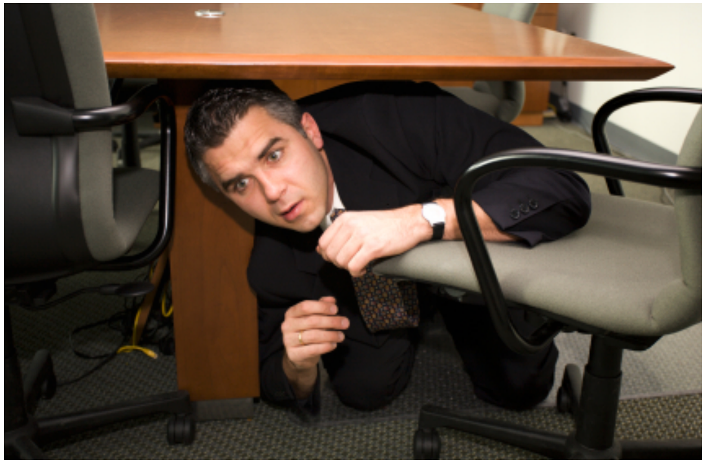
You can't teach native intelligence. If they are smart enough to do the job, they can pick up the required skills. If they don't have the right intellect, they can't acquire it later.

6. Hire people that match your ethics

Just as you can't teach intelligence, you also can't teach someone to be a hard worker or honest if it's not in their nature. People of questionable character won't change over time. If their ethics don't match those of the company, don't hire them.

7. Never hire because "I like the look of this guy."

Remember the old adage, you can't judge a book by its cover? The same is true of an empty suit. A lot of executives are hired based on personal appeal or charisma, especially if you haven't thought hard enough about the job criteria in the first place. Don't be taken in by a pretty smile.



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About Different Hiring Tools

If your goal is to create systems by which you can most quickly, efficiently and effectively bring new employee candidates to the table, then having an understanding of the tools available to help you is important to the mission.

Hiring Web Sites – There are a number of different web sites offering job recruitment services for both the employee and the employer. Sites like Monster.com and CareerBuilder the ability to screen through millions of candidates to hone in on those who fit your specifications. If you'd like to get into hybrid screening systems, we have also used (and strongly recommend) Accolo, a firm that combines the screening and filtering of a recruiting web site with the power of social media in the cloud.

Referrals – Never underestimate the power of a referral. Referrals can provide perhaps the most effective means of locating talent that is exactly suited to your needs, because they are being referred by someone who you already know and trust. But keep in mind that your colleagues and business associates aren't sitting around thinking of how to send you employee referrals — you'll probably have to ask. One powerful question to remember is: "Who do you know…?" Ask around in your business network and be specific: "Who do you know who [fits these specific qualifications] and might be looking for work or to upgrade their position?" This question kicks in the "search engine" in the brain of the person you're asking and even potentially allows them to step up themselves (consider asking people you know who already have the qualifications you're seeking). Even your current employees can be a great resource for new employees of the same caliber. People tend to hang out with people who are like themselves.

Headhunters / Placement Services – "Headhunters" and placement services are essentially in the business of luring employees from other companies by offering them something bigger, better, faster… whether that's more money, better benefits or retirement packages, a better work environment or cooler perks. Headhunters can be a great way of drawing solid employees into your business, but there is a big potential downside. Think about it: How did the headhunter find your employee? Exactly! People acquired through headhunting services tend to be less loyal and after building your company culture, the last thing you need is a revolving door of employees seeking out the "next big thing."

Social Media / Social Networking – Social media and social networking have taken over the world. Not only can you find potential candidates through the vast interconnected web of social media networks, but sites like LinkedIn and Facebook even allow for screening of specific individuals either before or after an interview. Posting in LinkedIn can not only get others helping you to find the right personnel but also spread the word in

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About Different Hiring Tools (cont.)

standard social media style…in a more "viral" way…so you get connected deeper into multiple levels of business (and personal) associates.

Job Fairs – Job fairs can be an excellent and very efficient method to allow employers to come into contact with a large number and variety of potential hires in a focused and time-managed way. This is also a great way to enhance brand awareness, the company profile and network with potential clients at the same time. For a relatively small expense, an employer can arrange to have a booth at the fair and have representatives from your hiring team on hand to answer questions, take resumes and even have impromptu interviews.

Advertising – There used to be a time that we would simply put an advertisement in the classified section of the local newspaper and simply review the applicants that responded. Welcome to the 21st Century! Not only are newsletter classified ads nearly obsolete (going the way of the dinosaur like the papers they are printed on), but they are also not nearly your best bet when it comes to finding talent. New media classifieds like Craigslist are the new "classifieds" and have all but completely eliminated their print competitors. The upside of Craigslist is that it is fast and easy to get an ad up and running and it's very inexpensive – as little as $25 in some cities and $75 in the Bay Area. You also have no limitations on how specific you want to get about your applicant's qualifications, because there is no limit to the size of your ad. The con's are that you will likely receive an onslaught of unqualified applicants (even if you are specific about qualifications) and you'll likely be dipping into a shallow talent pool.

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Writing Job Descriptions

When creating the job description, the mistake many recruiters and hiring managers make is writing a skills-based job description that only outlines the requirements to do the job, rather than the desire to fulfill the role. A performance-based job description provides a better measurement of how the candidate will perform since it defines the expectations for the position.

For example, consider the job description for a telephone sales position. A skills-based job description would include:

- A college degree
- Industry experience
- Strong interpersonal skills
- Two years of sales or customer service experience

The criteria are quite broad. How many candidates would qualify or think they qualify for that type of a position? Now, if you take the same job and describe it using a performance-based job description, it might include:

- Make 150 outbound calls per day
- Achieve sales quota within 90 days
- Achieve 20 percent customer renewal rate
- Handle inbound customer calls and handle routine customer issues

The performance-based job description sets the expectations for the candidate so he or she can determine if this job is really right for him or her. More importantly, it provides a benchmark that allows management to objectively assess the candidate's performance.

Research also shows that an effective job description should cover:

- Day-to-day responsibilities so the candidate can determine if his or her interests align with those responsibilities. Daily schedules and a "day in the life" scenario will automatically weed out candidates who lack the drive to do the tasks required.
- Company fit, including alignment with the company culture and any potential career path.
- Employee expectations, including key performance indicators, required tasks, and job expectations.

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Job Description Template

Job Description (Blank Template)

Position Title:

Reports to:
Updated:
Position Type:
Classification:
Work Location:

Position Summary:

Hours:

Qualifications:

Essential Job Functions:

Area	Responsibility	Satisfactory Performance Metrics

Statement of the Position Holder:
I accept the accountabilities of this position and agree to produce the results, perform the work, and meet the standards set forth in this position agreement.

Signature: ______________________ Date: ____________________
Printed Name: ___________________

Statement of the Position Holder's Manager:
I agree to provide a working environment, necessary resources, and appropriate training to enable the accountabilities of this position (results, work, standards) to be accomplished.

Signature: ______________________ Date: ____________________
Printed Name: ___________________

Job Description Example – Operations Manager

Position Title: <<Your Company>> Operations Manager

Reports to: Joe Smith Updated: Date
Position Type: Full-time, permanent employee

Position Summary:

The accounting/operations manager is responsible for the initial scheduling and optimization of resources within the accounting department. He/she is responsible for the training of the accounting department staff relative to our accounting services and the company's brand promise. He/she is responsible for the aiding in the development of content relative to new product and service lines and quality assurance of existing and future product lines.

Hours:
Monday - Friday, 40 hour work weeks

Qualifications:
- 1-3 experience in operations and accounting.
- Excellent administrative, organizational, prioritizing, and follow-up skills.
- Detailed-oriented, self-directed and autonomous.
- Excellent computer skills with Microsoft Office and Excel.
- Maintain confidentiality of all corporate, financial and legal matters of company and clients.
- Experienced QuickBooks user, understand GAAP principals and financial statements.
- Driving to client locations, having a professional appearance, demeanor, and presentation style.
- Be pro-active, in tune with client's needs, identify vulnerable areas, and develop processes to strengthen those areas.
- Open to new ideas and change, with the goal of always improving processes.

Essential Job Functions:

Area	Internal Role/Responsibility	Satisfactory Performance Metrics
Maintenance of Clients		
Accounting Client Work	• Set up, oversee, and when necessary assist with the following client accounting functions: o Assist with implementation of budgets, financial goals/controls, various reports, etc. o Maintain GAAP compliance accounting practices. o Address any unusual accounting problems if possible, or ask for assistance if necessary. o Maintaining/improving client accounting checklists. o Maintain client's books using accounting software's features and functions. o A/P and other bookkeeping functions according to	• Follows and utilizes the *Company's Procedures & Guidelines* for accounting functions. • Provide required reports and financial statements to clients as needed. • Submissions and communication to/with clients are clear and consistent. • Current copies of accounting files on Company server. • All accounts are maintained in accordance with GAAP as applicable to the client's business. • Update/utilizes Company's Client

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Interview Strategies

DISC Assessments – DISC is a behavior assessment tool based on Dr. William Marston's theories surrounding four primary personality traits. In its original application, DISC is an acronym for Dominance, Inducement, Submission and Compliance. More modernized versions of the DISC assessment have evolved the acronym into more descriptive and widely understood terms such as Decisive, Interactive, Stabilizing and Cautious. The DISC assessment generally requires a brief test where the prospect categorizes certain descriptive personality traits into priority lists and the data is then assessed to determine the candidate's strengths and weaknesses, communication and work styles and other information that can be extremely valuable in the hiring process. One modernized version of the DISC profile and assessment can be accessed at no charge through Jay Niblick's What's Your Genius web site.

Skills Assessments – Let's face it; anyone can say they have certain skills or are well-matched for the job, but how do you really know until you give your potential new hire an opportunity to prove they really have the skills? One way is through a skills assessment. A typical skills assessment will provide valuable information regarding not only the skills a prospective new hire has but also what they enjoy the most. Like the DISC, most skills assessment tests can be completed in 10-15 minutes and can provide important new insights into your prospects' work style, habits and the skills they possess.

Group Interviews – Group interviews can take two forms. One is a panel interview where several people from the company interview an individual candidate, discuss company culture, job description, ask interview questions and explore more deeply the skills of the prospective new hire. The other form of group interview is the candidate group interview wherein a group of prospective new hires vying for the same position are brought in at the same time to be interviewed by either an individual or a panel group from the company. Increasing numbers of companies are using group interviews as a means to make the time management process in hiring more efficient, to have an opportunity to compare candidates side-by-side in order to determine how they will respond in a group environment, and also to create a more teamwork-oriented approach to the hiring process.

A "Trial Work Day" – Another common practice and one that can provide you with a real-time assessment of an employment candidate's skills in the workplace is to offer potential new hire a paid trial day. Simply bring the prospect in to do the job for a day. You can evaluate their skills, their ability to interact with others and adapt to your corporate culture. An important note here is that a trial day should in most cases be a PAID work day. Otherwise, you may run into legal or liability ramifications that can come back to haunt you. Use a trial day to see if your new candidate truly is the right fit for your company.

How to Recruit Top Talent

Interviewing For Cultural Fit

Cultural fit can cover a variety of characteristics, but ultimately, Rothbard and others say, the question hiring managers should be looking to answer is, does this candidate's values align with those of the company, be they work-life balance, corporate mission or how to handle a customer phone call.

According to Rothbard's research, poor cultural fit can completely negate any positive career experience or skills a candidate brings to a job. Some candidates she surveyed had to be retrained for jobs they had done for years to accommodate how their new role had to be performed within the new corporate culture. Tasks can be taught, experience can be acquired, but cultural fit is hard to transfer to the wrong job candidate. And the higher the position in the company, the harder it is to assess fit.

"Cultural fit is incredibly important on a candidate's abilities to use his skills…You have a positive effect through skills, but culture completely cancels that out."

Nancy Rothbard, associate professor of management at The Wharton School.

How to Recruit Top Talent

Interviewing For Cultural Fit (cont.)

Behavioral Based Interview Question Samples

The objective of any behavioral interview is to assess how a candidate acts and performs in specific job situations. The primary premise being that past performance will predict future performance. Below is a sampling of potential interview questions that we have compiled when conducing a behavioral job interview.

Educational background and work qualifications:

1. What are your short-term and long-term career goals?
2. What are your top two most significant (or most rewarding) accomplishments?
3. How would you describe yourself?
4. What are your strongest (consulting) skills?
5. Give me an example how you have worked under pressure?
6. How would you evaluate your ability to deal with conflict?

Due diligence and knowledge of company – showing initiative:

1. What appealed to you about this position with our company?
2. What do you know of our company?
3. What do you like about our company?

Demonstration of application and implementation of processes – skills and abilities:

1. Tell me about a key project you were involved with. What was your role?
2. What about projects you directly influenced, how did you influence them? What was your expertise or value-added recommendation(s)?
3. What were your successes? What were your barriers? How did you overcome those barriers?
4. Give an example of when you were not able to meet a deadline. How did you deal with this situation?
5. When you worked on multiple projects, how did you prioritize?

Level and degree of client/customer focus in understanding needs and goals (doing what it takes, flexibility, willingness to learn, resourcefulness):

1. Describe your target customer/client. How did you continuously add value to your service and your clients? How did you measure your effectiveness?
2. Tell me about a time when you had to learn a new skill/ technology quickly. How did you accomplish this and were you effective enough for the client or project goal?

How to Recruit Top Talent

Interviewing For Cultural Fit (cont.)

Level and degree of client/customer focus in understanding needs and goals (doing what it takes, flexibility, willingness to learn, resourcefulness):

1. Describe your target customer/client. How did you continuously add value to your service and your clients? How did you measure your effectiveness?
2. Tell me about a time when you had to learn a new skill/ technology quickly. How did you accomplish this and were you effective enough for the client or project goal?
3. Did you ever have to do something outside your job assignment? What did you do?
4. Do you do anything outside your job to continue to grow?
5. Who do you spend most of your time with – clients, peers, cross-functional department or managers?

Cultural fit and attitude:

1. What kind of work environment have you found most conducive to your work style?
2. Where is your ideal place to work?
3. How are you best motivated to put forth your best effort?
4. What do you think makes a successful manager?

Moral Compass (optional behavioral questions):

1. Have you ever been asked to do something at work that was uncomfortable for you? What was the situation and how did you handle it?
2. What did you learn from a previous bad work experience that has made you a better manager/employee?
3. How have you turned any weaknesses into strengths?

How to Onboard New Hires

New Hire To-Do Checklist Example

New Employee:
Position:
Start Date:

BEFORE START DATE

ITEM	RESPONSIBLE	DATE DONE
Create server-based New Employee File		
Prepare New Hire Packet		
Create First Quarter Goals & Objectives		
Create Paper-based New Employee File		
Create IT email, password and other accounts as needed		
Review/train employee on general system and software		
Assign work area/desk		
New Hire IT Check List		
Equipment requisition/purchase/set-up:		
Computer		
Create/Verify telephone extension		
Update Phone System Directory w/ Employee's Name		
Print Telephone System Quick Reference Guide		
Update and redistribute telephone extensions list		
Create Inbox (mailbox label)		
Business Cards		
Other equipment **[specify] General desk supplies**		
Copy Company keys, create access card and/or alarm code		
Add new hire into the Employee Data xls		
Enter new hire's birthdate on the calendar		
Enter Hire Date & 1 Yr Anniversary to Calendar		

START DATE / ORIENTATION

ITEM	RESPONSIBLE	DATE GIVEN	DATE REC'D	INITIALED
Offer Letter & Resume for personnel file				
Review Job Description with employee				
Review first quarter goals and objectives with employee				

ITEM	RESPONSIBLE	DATE GIVEN	DATE REC'D	INITIALED
INS Form I-9 (Employment Eligibility)				
Employee Information Sheet				
Confidentiality Agreement				
IRS Form W-4 (Tax Withholding)				
Automatic Payroll Deposit Authorization				
Review timesheet procedure and payroll calendar				
Workers' Compensation Information				
Personal Physician Designation Form				
Form DE2320, Unemployment (For Your Benefit) Pamphlet				
Form DFEH 185, Sexual Harassment Pamphlet				
Create Employee handbook at Kinkos				
Assign Employee Handbook / Acknowledgement				
Co-worker introductions				
Office tour: work area, printer, fax, shredder, kitchen, bathrooms, postage, etc.				
Instructions on obtaining Company supplies				
Train on network login, and email ID				
Train on telephones, voicemail, and password				
Assign access key/card, and train on alarm/entry system				
Safety Training (location of first aid kit, emergency exits, fire alarms, fire extinguishers, special emergency procedures)				
Review safety training materials (earthquake)				
Add to payroll, Worker's Comp Sheet				
File DE-34 with EDD				
File orientation documents				

BENEFITS ORIENTATION CHECKLIST

Healthcare Benefits begin:

ITEM	RESPONSIBLE	DATE GIVEN	DATE REC'D	INITIALED
Health Insurance Information and Enrollment Forms				
Initial Notice of COBRA Rights				
Retirement Plan Information and Enrollment Forms (given the October before eligibility date)				

How to Onboard New Hires

New Hire To-Do Checklist

Other benefit enrollment forms **[specify]**				
Review Vacation ~ PTO ~ UTO ~ Bereavement electronic form				
Explain other benefit **[specify]**				
Benefits orientation checklist sign off				
Add to health insurance (thirty days after their date of hire, on the first day of the new month)				
Add to retirement plan (first day of the quarter beginning after your one-year anniversary date)				

ADMINISTRATIVE / TECHNOLOGY

ITEM	RESPONSIBLE	DATE GIVEN	DATE REC'D	INITIALED
Billing to Clients Policy				
Time tracker procedure (billable and non-billable)				
Time discounting procedures				
Creating expense reimbursement reports				
Scanning documents and temp folder policy				
Outlook usage (calendar, e-mail, flags, folders, sharing, etc)				
Vacation/PTO policy and messaging				
Internal software training				
Internal IT procedures				
Internal office procedures				
Kitchen policy				

How to Develop Top Talent

How to Create an Employee Development Plan

Creating an Employee Career Development Program is a way to provide growth opportunities for your employees, driving retention and internal talent. When you create employee career development programs, you build trust with your employees that helps to get them to buy-in to your company goals and mission because they feel like an integral part of your greater puzzle.

Get clear about the positions required to fill your employee roster – One of the best strategies for understanding the organizational needs of your company, is to create an organizational chart of each position and define the roles of each, including the compensation plans for each position. Even if you're just a small "mom and pop" operation right now, there are a number of different duties and positions that must be handled in the business. Making that org chart and defining the position will help you understand the immediate needs of your business, and provide a glimpse of the areas that will scale the fastest, so you can start planning on career development opportunities for your employees.

Develop Possible "Career Maps" – Once you have created your org chart, start mapping out possible career paths for each position. For example, could someone who starts as a receptionist but shows aptitude with financials train as a bookkeeper or seek additional education to ultimately become the accountant or even CPA within your company? Is it possible for an entry-level business development rep to move along a path to become VP of Sales? Look at the possibilities and keep your mind open because you'll have a workforce of employees who are performing well and seeking advancement within your organization.

Get Your Employees "Enrolled" in the Program – With your basic plan in place, it's time to get together with your employees to present your ideas and foundational plan for Employee Career Development. Getting your employees properly engaged in the program is like having a team of cheerleaders supporting your program…but they'll do more than cheer you on – they will want to be part of the process. Remember, you are probably so close to your business (and seeing it from a bigger picture view) that you may not be able to see the day-to-day challenges that your employees see. Get their input. After all, in essence, this is their "benefit" and the plan affects them on a very personal level. Your employees' input can be invaluable in streamlining the details of your program.

How to Develop Top Talent

How to Create an Employee Development Plan

Create an Action Plan – With everyone on board and the basics of your plan in place, now it's time to create the specific action plan so your employee can advance and enjoy the benefits of your new Career Development Program. What new training systems will have to be put into place? How will you track and measure performance so you know when it's time for advancement? Consider the goal-setting concept of "start with the end in mind." Look to the goal first; then plan backwards from there.

Launch Your Plan in the Workplace – You have charted the positions, mapped out the possible career paths, enrolled your employees in the plan and set up the systems to train and advance your employees. Now it's time to launch! Put your plan into action, track your progress, get regular feedback from your employees on how it's working and streamline the process as you go so you can polish the details and create higher levels of efficiency.

How to Develop Top Talent

Employee Development System (example)

Purpose

To improve employee results and performance in a specific area, in a way that promotes the Employee's professional and personal growth, and enhances the employee-manager relationship. It provides a value –added to the employee and manager, creating a mutually respectful relationship.

Benchmarks

- Identify employee goals (are they in alignment with the company goals/values?)
- If there are issues blocking the commitment – identify and address them. What are they having problems with?
- Create a plan. Set goals or metrics for employee development or advancement – do they need a mentor? Training? More opportunity of autonomy?
- Get employee's commitment to meet milestones.
- Outline ways to assist with roadblocks. (i.e. where to get help and/or support)
- Set a date for re-evaluation and re-evaluate the employee's performance and results.

Standards

- Performance and any development issues to boost an employee's already satisfactory performance to a higher level (employee development).
- Assist in addressing any frustrating the employee may be having and bringing it to light to move on in developing them with the company.
- Begin a documentation process for employee tracking in development in writing.
- This can be used to improve benchmarks, reporting loops, standards, and time frames.
- Accountability. The consequences of the employee not following through on his or her commitment to improve puts all responsibility on the employee.
- Commitment to the company and a plan the employee has agreed to will be followed up by the manager at regular Employee Development Meetings or at meetings specifically scheduled for this purpose (The employee's performance will be re-evaluated to determine if improvement is being achieved. If the employee is adhering to the plan, both in substance and in spirit, but if the improvement is not satisfactory, a revised plan should be developed and implemented).

How to Develop Top Talent

Employee Development System (example)

First Employee Development Meeting – Aligning Goals

Employee Name_______________________________ Meeting Date_________

Discuss Ground Rules for Our Relationship

- What you can expect from me
- What I expect from you
- What you need from me

Provide Overview of Employee Development Meetings

- Purpose - To promote employees' professional and personal growth by working together to overcome obstacles in the way, and to provide a place to be vulnerable, to take risks, and to learn so that employees can be their best and achieve results they can be proud of. (*Ask yourself: Do metrics need to be put into place? Is this clear?)*
- Logistics - Participants: manager and individual employee
  Frequency: Weekly? Monthly?
  Duration: 30 minute check in or one hour? Lunch?
  Location: Manager's office, conference room or out of the office?
- Content
  Performance coaching, work issues, personal issues, interpersonal issues, administrative issues. Clarify any roadblocks, issues and address them head on.

Review Current Work Elicit Employee's Primary Aim

- What you don't want
- What you do want
- Ideas in the way of getting what you want
- "Busting" ideas in the way
- Statement of employee's Primary Aim

Schedule Regular, Ongoing Employee Development Meetings

Employee Development Meeting Agenda Example

Employee Name_______________________________ Meeting Date_____________

- Key Objectives (this Meeting And Action Items For The Next Meeting) As Well As Items Carried Over
- Review Work in Progress (Mentoring Possibilities?)
- Identify and Resolve Work Issues And/Or Personal Development Issues
- Other Items To Discuss
- Confirm Or Schedule Next Employee Development Meeting

How to Develop Top Talent

Creating and Assigning Effective Employee Objectives

Policy

Selecting and stating clear, measurable short-term objectives provides both manager and department member with a focus for moving forward successfully. Effective managers begin planning by selecting and stating the long-range goal and short-term objectives. They then select appropriate materials, strategies and methods, and evaluation techniques to teach and measure the accomplishment of the objectives that lead toward achieving the goals. When department members understand clear and measurable goals and objectives, they become aware of what their manager expects them to accomplish, and how it relates to the overall mission of the Company

An Effective Objectives Creation & Assigning System

- Provides analysis of an employee's job performance as it relates to specified objectives
- Is useful as a development tool to improve the employees understanding of objectives, and the employees overall performance
- Helps establish and clarify new performance objectives
- Supports the strategic goals of the Company

Ideal System to Use

- To assign SMART (Specific, Measurable, Attainable, Relevant, and Time-bound) objectives for a given period
- To evaluate accomplishments and milestones associated with each assigned objective
- To utilize the evaluation results of the assigned objectives
- To create new objectives that enable the employee to move toward achieving specified goals

Procedure

- Study the employee's most recent past evaluation before creating newly assigned objectives for which the employee will be assigned and evaluated on.
- Use **SMART** (Specific, Measurable, Achievable, Relevant, and Time-bound) objective-setting guidelines when creating newly assigned objectives

How to Deal with Toxic Employees

Every manager has had to cope with a toxic employee at one time or another. These are workers who just don't fit with the culture of your organization, or who can't prevent their own emotional baggage from spilling over into their professional lives. These employees can be a problem, not necessarily because of poor performance, but because their toxic attitude has an impact on their co-workers. Like a disease, a toxic worker can infect your employees, their productivity, and eventually your entire organization. Negative attitudes can spread like a virus, affecting other workers who lack the fortitude or understanding to see what is happening to them. The toxic employee spreads dissent and others become victims of the virus because they can't discriminate between antagonism and negative criticism. Ultimately, toxic employees can undermine any team efforts that are essential to company growth.

Why do companies continue to employ toxic workers? Usually it's because of fear; fear of repercussions, or fear of promoting greater unrest in the ranks by firing the troublemaker. Sometimes the employee happens to be a top producer, and the profits they bring the company are thought to outweigh the negative effect of their attitude. There are a number of ways to deal with toxic employees. First, you can try to address their toxicity and see if they can be sufficiently cured of their negative attitude to become a constructive member of the team. If that fails, you should safely excise a toxic employee; but to do this with no real repercussions, you must understand the risks and use the right procedures to protect yourself.

Identifying Toxic Behavior

First, you have to be able to spot a problem employee and understand what makes them toxic. Here are some of the most common toxic traits to look for:

- **A general negative attitude**. Unhappy employees exude negativity, and many times you can't correct the situation to make them happy. Such workers are often quick to anger, don't want to work, and take their dissatisfaction out on their coworkers. They use no discretion about where, when, or to whom they voice their opinions.
- **Unwillingness to take responsibility**. Every problem or criticism is someone else's fault and these self-proclaimed victims often turn to backstabbing and blaming others.
- **Gossip**. Gossiping workers tend to create cliques and form groups that promote an "us versus them" environment.
- **Sabotage and insubordination**. These toxic employees go to the next level, trying to build themselves up by deliberately making their coworkers, and even the company, look bad.
- **Clock watchers**. Workers who waste their work hours shopping online, emailing friends, surfing the web, hanging out on Facebook, or finding other ways to occupy company time without being productive undermine productivity.

How to Deal with Toxic Employees

- **Unprofessional and inappropriate communications**. Workers who use the company email system to send snarky messages to forward off-color/inappropriate jokes, or workers who engage in loud phone calls that include personal details can be a huge distraction to productive employees, or worse - a harassment claim in the making.
- **Bullying and harassing coworkers**. These corporate bullies will highlight other people's mistakes in very public forums, pointing to others as examples of "what not to do" in inappropriate and embarrassing ways.
- **Inappropriate use of social media**. This is a new arena that is causing chaos within companies. When employees become "Facebook friends" with colleagues and bosses they often they let things slip online that are hurtful and negative, such as Tweeting about the boring sales presentation they have to sit through when the sales manager or CEO is a Twitter follower. Much of this toxicity can be removed with education, but be wary of repeat offenders.

Once you have identified the toxic employees, how do you handle them? First consider the potential ramifications, and then deal directly with the problem.

with no real repercussions, you must understand the risks and use the right procedures to protect yourself.

Laying the Proper Groundwork

Many executives are afraid of confronting a toxic employee for any number of reasons:

1. **Managers feel they are over a barrel**. If the employee leaves then they will take vital knowledge with them, sales will go down, or the company will risk losing important business or clients.
2. **Fear of being sued, or having a discrimination claim filed against them**. This toxic employee knows where the potential corporate skeletons reside and will do whatever they can to expose the company in a litigious way.
3. **Loss of investment**. This employee has taken years to train and the employer doesn't feel they can afford to lose their skills.
4. **Personal attachment**. Managers are attached to the toxic employee on a personal level, even if they aren't a good cultural fit.
5. **Fear of competition**. Key employees could steal clients and staff, or in some cases start their own company after they leave.

How to Deal with Toxic Employees

These are valid concerns, but it is important to understand that the negative impact of a truly toxic employee can become a serious and expensive problem for the entire company. The sooner you address the problem, the better. Sometimes the employee can be corrected and brought into line, and sometimes they can't. If they can't, the employer needs to decide how and when to end the relationship. Once you have identified the toxic employees, how do you handle them? First consider the potential ramifications, and then deal directly with the problem.

How to Deal with Toxic Employees

Using "At-Will" Employment with Caution

In California (or other states that honor "at will" employment), employers sometimes choose to separate with their toxic employees using this clause as their exit strategy, often to avoid the hassle of building a case for "just cause". There are times when this works, and times it could prove to be a disaster.

Under the terms of "at will" employment, any hiring is presumed to be 'at will'; that is, the employer is free to discharge individuals 'with or without cause,' and the employee is equally free to quit, strike, or otherwise cease work. This clause should not be used as a substitute for responsibly managing those you have hired and giving them an opportunity to succeed. However, it can be a quick and clean way to separate from an employee who was clearly a bad hire to begin with, has a relatively short history with the company, and who doesn't have any other high risk factors attached to them. Unfortunately, the "toxic" employee is often a typical high-risk termination by nature, so you need to assess the risks carefully before making a decision about whether or not to terminate for cause:

- Is the employee in a "protected class" (e.g. over 40 years of age, a minority ethnicity, mentally or physically handicapped), and might they make a claim that they are being discriminated against because of that distinction?
- Has the employee ever indicated that they may have a medical condition that would affect their job performance or even work attitude?
- Has the employee indicated that they have been subjected to a hostile work environment?
- Is the employee improperly classified (exempt vs. non-exempt)?

If the answer to any of these questions is "yes", or even "maybe", the employer should proceed with caution AND consult with legal counsel before terminating the employee.

Of course, employers should always maintain a professional demeanor in dealing with all workers, toxic and otherwise, to avoid charges of misconduct or creating a hostile environment later on. Be wary of miscommunications, such as "joking" comments that could be perceived as malicious or aggressive communications caused by frustration. Be careful of how you communicate in writing, such as email or text messages. In addition, be wary of the behavior of other employees. The business owner is ultimately responsible for the conduct of everyone on the company's payroll.

How to Deal with Toxic Employees

Addressing Toxic Behavior

Once it is clear you are on firm ground and that the toxic employee has to change his or her behavior or leave the company, it's time to take action. Create an established protocol to deal with problem employees so that you have a consistent policy and procedure in place to not appear bias or unfair. Then,
apply the following process to deal with a problem employee:

- **Be sure of your position before you start**. Understand your risks and what has been documented, and what the specific reasons are for potential termination. In most cases, it's a case of toxic attitude, but make sure you aren't leaving yourself exposed to a possible legal action.
- **Schedule a meeting with the toxic worker to review the specific behavioral problem.** Whatever you do, don't have this meeting alone with the problem employee. Have a witness in the room who can verify what is said and by whom. You want the meeting to be in private and discrete, but you also need to cover yourself in the event of repercussions later. That's why you need to come with documents that will need to be signed at the end of the meeting.
- **Outline the problem in explicit, specific terms.** Don't use vague accusations such as "you're creating a problem." Instead, use specific examples of inappropriate behavior, such as, "you called Wendy stupid in a staff meeting," or "you yelled at Steve in front of a client," or "your personal conversations are disrupting other employees from doing their jobs." You need to be specific so you can ask for remediation and create a foundation from which you can assess any change in behavior.
- **Is this the first time you have had to address this particular problem?** If it is, then chances are good that the offending employee will express shock and dismay and become very defensive. He or she will probably point out his or her accomplishments for the company. Be sure to differentiate that this is not about job performance but work attitude.
- **Don't be defensive.** All too often, managers or business owners become too concerned with others' reactions or feelings and they try to defend their own actions. Don't be defensive because you have nothing to be defensive about. Restate the problem and the expectation of changes to be made.
- **Document it.** Prepare a written synopsis of the meeting and its outcome. Be sure to outline what the employee has done wrong, what changes are expected in their behavior, how performance will be measured, and what the consequences will be if there is not a noticeable improvement.
- **Schedule follow-up meetings**. Be sure to hold series of meetings at regular intervals to review the employee's progress. Be sure you have your witness present at these meetings and refer back to the previous discussions to assess changes in attitude and behavior.

How to Deal with Toxic Employees

Addressing Toxic Behavior

- **Be prepared to acknowledge improvements.** For example, if you set a deadline of 30 days to show positive change and the employee demonstrates that change, then acknowledge it. If the employee has successfully modified his or her behavior as requested, and yet you still terminate them, it's just a lawsuit waiting to happen.
- **If there is no positive change, terminate the employee immediately**. At the end of the probation period fire the employee; don't delay even a day. In addition, be sure to terminate that employee in a straightforward manner. Reiterate that the employee has been on probation, and that he or she failed to accomplish the promised changes (and be sure to present the documentation as proof), therefore it is his or her last day.
- **Get them to leave immediately**. Ask if they need help packing their belongings but don't hover around them unless there is a perceived risk. However, make it clear that they leave right away.
- **Communicate to the rest of the company as soon as the toxic employee is gone.** Don't leave people guessing or speculating. Be positive and clear about what transpired, and don't criticize the absent worker's performance in any way; that could leave you open to legal action. Try something like this, "This is John's last day. We wish him well in his new endeavors and will be seeking a replacement for his position. In the meantime, we would like you all to pitch in to cover John's responsibilities."

Remember that no matter what reservations you might have, a toxic employee will eventually become a problem for the entire company; allowing the behavior to continue unchecked will not only affect company culture and morale, but could turn into a much larger issue with a significant impact on your bottom line. Try to correct the situation if you can, but don't hesitate to remove the source of the problem. The longer you keep a toxic employee on the payroll unchecked, the harder it will be to undo the damage they can cause and get your company back on track to productivity and profitability.

How to Deal with Toxic Employees

8 Steps for Terminating Employees

- **Review Job Expectations and Requirements**
  - Because the evaluation must be closely tied to the job description, the manager should review the job description
  - The job description should clearly reflect the current job being performed
  - An accurate job description will result in a valid appraisal of the employee's performance
- **Review Past and Present Objectives**
  - Review the previous employee objectives evaluation
  - Additionally review the currently assigned employee objectives that were identified and assigned
    - Consider the extent to which the employee has met and or exceeded those objectives during the current review period.
- **Review the Employee's Work History**
  - Review any notes about the employee's work history
    - Notes and records from previous reviews, both formal and informal, can make a difference by enabling managers to cite specific incidents and objective results, both positive and negative
- **Evaluate and Rate Job Performance**
  - Be sure to consider all performance during the evaluation period
  - Do not allow irrelevant factors not related to the job to influence your evaluation, such as unrelated activities outside the office or personal likes/dislikes
  - Include unfavorable evaluations even though they may be uncomfortable to discuss
  - Evaluation of employees who perform equally should be similar, but not everyone is likely to be rated alike
    - Every group includes better and poorer performers, so evaluations should reflect that distribution of performance
  - Please utilize the 80% - 20% rule; 80% praise and 20% details that need improvement
- **Provide Specific Examples of Performance**
  - Prepare to talk to the employee in terms of specific incidents, results and observations
  - Employees find negative comments that are general in nature difficult to accept
  - Employees find positive comments that are general in nature difficult to understand

How to Deal with Toxic Employees

8 Steps for Terminating Employees

- **Consider Growth Opportunities**
    - Where potential for promotion exists within a company, consider in advance the opportunities that may be available to the employee and be prepared to discuss the training, education, or experience necessary to move toward those opportunities
- **Practice**
    - Practice what you are going to say during the evaluation interview until you are comfortable delivering the message
    - This is particularly important if the evaluation is unfavorable, for which you should consider and prepare for the employee's possible response
- **Let the Employee Prepare as Well**
    - Set an appointment for the evaluation in advance and provide the employee with a copy of the previously assigned objectives being evaluated
        - Encourage the employee to do a self evaluation in advance of the meeting
        - Self-evaluations help employees identify their own weaknesses and prompt discussion during the evaluation meeting

How to Deal with Toxic Employees

Employee Performance Plan (Example)

MEMORANDUM

[NOTE: Please be careful to delete the explanatory notes in this form, such as this explanatory note, before using this form for a particular situation]

TO: ____________________
FROM: ____________________
DATE: ____________________
RE: Performance Improvement Plan

I. INTRODUCTION

This Plan addresses certain concerns we have with your performance. It is our hope that you will take the steps outlined herein to improve your performance.

II. CONCERNS

We have outlined below certain specific incidents in which you have demonstrated poor performance/poor behavior. For example:

-
-
-

III. PERFORMANCE OBJECTIVES

To remain employed with the Company, you must strictly comply with the objectives below over the next [insert reasonable period to complete objective, e.g., 60 days]. [We have also included suggestions that we hope will help you achieve these objectives.]
The performance objectives are as follows:

-

[Suggestions:]

-

[Suggestions:]

-

[Suggestions:]
Again, we intend to strictly monitor your performance over the next [60] days for compliance with these objectives. Failure to meet any of these objectives during the [60]-day period could result in disciplinary action, up to and including immediate termination. Further, we expect sustained improvement in your performance. Should you successfully meet your objectives over the next [60] days, followed by a subsequent decline in performance, you may be terminated without further notice and opportunity to improve.
Please note that this document does not change your status as an at-will employee, and even if you successfully meet your objectives over the next [60] days, your at-will status would not change. Since you are an at-will employee, either you or the company can terminate your employment at any time, with or without cause, for any reason or no reason at all.

How to Deal with Toxic Employees

Employee Performance Plan (cont.)

EMPLOYEE CORRECTIVE ACTION FORM

Employee Name:	
Job Title:	Department:
Manager:	Date of Meeting:

Please select:

☐ Tardiness ☐ Quality of Work ☐ Professionalism	☐ Absenteeism ☐ Insubordination ☐ Language	☐ Policy Infraction ☐ Safety

Manager Explanation:

Action Plan:

Employee Comments:

Employee's Signature:	Date:
Supervisor's Signature:	Date:

EMPLOYEE CORRECTIVE ACTION FORM - EXAMPLE

Employee Name: Jim Employee	
Job Title:	Department:
Manager: John Employer	Date of Meeting:

Please select:

☐ Tardiness ☐ Quality of Work ☒ Professionalism	☐ Absenteeism ☒ Insubordination ☐ Language	☐ Policy Infraction ☐ Safety

Manager Explanation:
This is a written corrective action for Jim. It is meant to be informative, allowing him the opportunity to improve and grow in his position, and to give him the opportunity to correct the issues presented here. The following problem areas have been identified by your manager, John:

- On June 23rd, 26th and 28th, John (Jim's manager) intervened in conversations Jim was having with other staff members in the open work area regarding the performance of another employee. Each time, Jim was asked to stop discussing this subject in the open, and to bring his concerns directly to John.
- In the August 3rd staff meeting, all staff was instructed to begin using the new calendar. As Jim left the meeting, he loudly announced that he refused to do so, and that he thought anyone else who did so was "stupid".

Action Plan:

- It is important for Jim exercise discretion and professionalism when communicating with other employees. Any problems with other employees, or with duties assigned to him, need to be brought directly John, without detracting from the duties and/or work environment of others.
- Company directives (such as the implementation of the new calendar) are to be followed as a requirement of Jim's employment. While we are open to hearing Jim's reasons for not liking the new system, those reasons should be expressed in a professional and collaborative manner; the final decision will be made by management.
- We will meet again on August 25, 2009, to review these items again and determine whether or not there has been improvement.
- While we fully expect the problems to be resolved to everyone's satisfaction, failure to comply with the action plan and lack of noticeable improvements may result in termination.

Employee Comments:

Employee's Signature:	Date:
Supervisor's Signature:	Date:

Employee Termination

Pre-Separation Meeting Checklist Example

Instructions: Items contained on this list are to be taken into consideration and or completed prior to the separation meeting.

Client Representative & Witness Conducting Separation: ________________________________

Employee: Separation Date:

Need to Assign? Y/N	Subject/Task	Assigned To:	Date Assigned:	Date Completed:	Initials
	Security:				
	1) Review with employees manager				
	a) Possibility of employee becoming hostile				
	b) Past signs of anger or emotional instability from employee				
	c) The need to have a security officer present				
	d) The sequence of employee leaving the office/building				
	e) Items employee can take upon separation				
	2) Review with separation meeting witness				
	a) Duties of being a witness				
	b) Client's name and address				
	c) What to do in the event of an emergency				
	i) Call 911 for medical emergency, or hostile employee				
	Information Technology:				
	1) Determine system and data exposure				
	a) Level of employee access				
	b) Internal workstations access				
	c) RDC/External workstations access				
	2) Coordinate with HR, blocking employee access to system				
	a) Obtain and secure data if not on server				
	b) Change login and password to that of designated manager				
	Separation Documents:				
	1) Create file folder with completed separation documents for the employee				
	2) Create client/employee file copy of completed separation documents				
	Post Separation Meeting:				
	1) Update the client/employee file with completed separation documents				
	2) E-mail client/manager with outcome of separation meeting				
	Miscellaneous Items:				
	1) Bring box for employee to place personal items				
	2) Paper clips to connect documents				
	3) Pen for employee to use when signing documents				

Employee Termination

Separation Checklist Example (contd.)

Employee: ______________________ Separation Date: ________________________

Need to Use? Y/N	FORM	Date Given	Date Rec'd	Date Send/File	Initials /
	Change of Relationship/Status Notice **				/
	"For Your Benefit" Unemployment Insurance Info Pamphlet **				/
	Exit Interview				/
	Outplacement Information				/
	Post-Employment Proprietary Obligations Reminder *				/
	Copy of Original Confidentiality/Proprietary Agreement *				/
	Authorization to Release Personnel Records				/
	Notice of COBRA rights *				/
	HIPAA Document				/
	HIPP Notice *				/
	Other benefits information:*				
	> Investment plan				/
	> Flexible spending account				/
	> Other –				/
	Collection of Property				
	> Office Keys *				/
	> Building Pass				/
	> Parking Pass				/
	> Laptop				/
	> Flash Drive				/
	Severance Check				/
	Release of Claims (Required with Severance Payment)				/
	Final Expense Reimbursement Payment *				/
	Final Expense Reimbursement Payment Release *				/
	Final Healthcare Reimbursement Payment *				/
	Final Healthcare Reimbursement Payment Release *				/
	Final Paycheck (including accrued PTO payout) *				/
	Final Paycheck Calculations/Detail *				/
	Final Check Release *				/

Employee Termination

Involuntary Termination

Procedure:

Once the HR Consultant (or member of management) and the employee's supervisor have worked together to determine that an employee should be terminated, they will schedule the termination together. The HR Consultant/Management should also work with the supervisor to determine who will be present at the termination meeting (HR Consultant, supervisor, other manager, company president, etc.), and whether it is prudent to arrange for security personnel to be on hand at the time of the meeting. It is a very good idea to have two company representatives at the meeting – one to conduct the termination meeting, and the other to act as a witness – and we strongly recommend that practice.

- Follow the **Separation Forms Checklist** to create the exit documents package. The checklist is set up so that documents relating to a particular topic are grouped together in the list. Documents not marked with an asterisk (*) should be included in the exit package only when applicable, i.e., an employee who is being separated from the company involuntarily would not receive outplacement information.
- Prepare two (2) copies of each document. The employee should sign both copies; one is retained by the company, the other is for the employee's files. You can fill in the employee's name and other information as needed. Leave all dates blank for the employee and the person conducting the exit meeting to complete.

Multi-page documents should be stapled, not clipped. Documents which are referenced as an attachment to another document should be stapled. Related documents should be clipped together. (For instance, the Proprietary Obligations Letter would have a copy of the Proprietary Agreement the employee signed when they were hired stapled to it; the change of status notice would be clipped to the unemployment booklet because they are related.)

- When providing a '**Release of all Claims**' document to an employee who is 40 years old or over, the employee has 21 days by law to consider the document, and 7 days to revoke their signature after having signed it by the 21st day. When providing the document to an employee who is under 40 years old, the client can dictate the terms of requiring the document to be reviewed and signed no later than 7 days from the day the document was provided. Regardless of age, there can be no duress applied to the employee to sign or not sign the document.
- Check the EDD website to make sure you have the current version of the DE2320 (the "For Your Benefit" brochure that you are required to give to all terminated employees). You can download and print a copy here: http://www.edd.ca.gov/uirep/de2320.pdf

Employee Termination

Involuntary Termination

- A note about COBRA and HIPAA information for companies under 20: The insurance carrier is supposed to give this information out to employees. However, it can take four or five weeks by the time you notify the company and the person is taken off insurance and THEN the letters go out informing the ex-employee of their COBRA rights. Health insurance can be a significant consideration - especially to people who have a family or a medical condition, so it's important to give them all the paperwork they need when they are leaving the company. You should instruct them that if something similar comes from the insurance carrier but the carrier's information is different, to follow the carrier's instructions because the exit meeting documents are meant only to provide a sense of what their rights are and aren't meant to be legally binding. Whatever the carrier sends is legally binding and takes precedence over the general information provided at the exit meeting.
- Be sure to note under "Collection of Property" all items which should be received from the employee during the exit meeting, such as laptop, PDA, uniforms, etc.
- At the conclusion of the meeting, the HR Consultant/Management should escort the employee to their desk to collect their personal belongings, and escort the employee to the building exit. If an employee has significant personal possessions at their desk, the HR Consultant/Management should inform the employee that the company will be responsible for packing and shipping the items to the employee's home address.
- Once the exit meeting has finished and the employee has been escorted offsite, the HR Consultant/Management should notify IT with appropriate instructions to forward or cancel the employee's email account, phone extension, cell phone number, pager number, etc.
- Whoever is responsible for managing benefits should notify all insurance carriers and other benefit providers of the employee's exit date.
- All documentation supporting the termination should be put into the employee's file.

Employee Termination

Separation Witness Statement

Separation Documents Witness Statement

Date:

Re: Employee's Name

Employee has been provided with copies of the attached severance documents as outlined in the Separation Forms Checklist. She/He has refused to sign and or acknowledge receipt of said documents, and has refused to participate in the separation meeting. Prior to His/Her leaving the separation meeting, employee was also provided with:

- Live checks for consisting of:
  - Final compensation payment through Date consisting of
    1. Wages
    2. Accrued but unused PTO buyout
  - Expense Reimbursement Payment
  - November Bonus Payment
- Severance Agreement

____________________________ __________________

Signature: Name Date
Title

____________________________ __________________

Signature: Name Date
Title

Employee Termination

Notice to Employee of Change in Relationship -EDD

(Termination Notice Pursuant to Provisions of Section 1089 of the California Unemployment Insurance Code)

Employee Name: ______________________ Social Security #________________________

As a result of the recent change in your employment status, you may have the right to file for unemployment insurance benefits with the California Employment Development Department ("EDD"). The pamphlet that you have been given, Form DE2320 entitled "For Your Benefit - California's Programs for the Unemployed" describes California's program for the unemployed. Your eligibility for unemployment benefits will be determined by the EDD. The change of status information below will assist you in filing for unemployment benefits.

Your employment status has changed for the reason checked below. If you apply for Unemployment Insurance benefits, give a copy of this form to the Employment Development Department (EDD).

- ☐ Voluntary Resignation, effective ___/_____/______
- ☐ Layoff, effective _____/_____/______
- ☐ Leave of absence, effective_____/_____/____, with a return to work date of _____/_____/______
- ☐ Decrease in work hours and/or wages, effective ____/___/___
- ☐ Demotion, effective _____/_____/__________
- ☐ Termination, effective _____/_____/_________
- ☐ Refusal to accept available work, effective _____/_____/______
- ☐ Change in status from employee to independent contractor, effective___/_____/______

Comments:

Copy of EDD Form DE-2320 "For Your Benefit" provided with this Notice.
____

Name:____ Date: ______________
____

Signed: ______________________________________

Notice of Acknowledgement

I have received a copy of this notice on ___________ ___________________________

Date Signed

How to Evaluate Employee Performance

Annual Performance Evaluation Template

Employee Name ____________________ **Job Position** ____________________
Supervisor Name ___________________ **Review Period** From (date): _____To (date): _____

Performance Evaluation Guidelines

An effective Performance Review System will provide input about an employee's job performance, have usefulness as a developmental tool, help establish and clarify performance goals and support the strategic objectives of the Company. Our system is designed to review accomplishments and milestones from review period to review period as well as develop future goals. Please assess the employee's most recent review before you proceed to use achievements as performance measurements and keep SMART (**S**pecific, **M**easurable, **A**ttainable, **R**elevant, and **T**ime-bound) goal-setting parameters in mind.

1. **Problem Solving/Decision Making** – Solves problems with effective solutions; asks good questions and probes appropriate sources for answers; looks beyond the obvious and doesn't stop at the first answers; makes decisions in a timely manner; has a bias for action; solves problems independently whenever appropriate.

Observation/Notes/Comments:

2. **Flexibility/Adaptability** – Deals effectively with change, can function without knowing all of the answers, deals well with unresolved issues, can comfortably handle risk and uncertainty; responds positively and effectively to fluctuations in workload, readily accepts changes to work processes and priorities. Learns quickly when confronting new challenges, experiments to find solutions.

Observation/Notes/Comments:

3. **Communication/Listening** – Relates well to individuals both inside and outside the business, builds and maintains interpersonal rapport and relationships, is diplomatic and tactful, listens well and hears people out, behaves in a manner that makes them easy to approach; keeps his/her composure under stress; consistently demonstrates tolerance with people and processes. Is able to write clearly and concisely to get messages across that meet the intended goal and impact.

Observation/Notes/Comments:

4. **Professionalism/Professional Maturity** – Accurately appraises own strengths and limitations. Projects poise and confidence in role; acts in an appropriate manner in business situations; steps up to conflicts and sees them as opportunities for improvement. Can find common ground with others and get cooperation. Displays integrity, is widely trusted; is direct and truthful; keeps confidences; doesn't blame others for own mistakes; is open and nonpolitical; does what's best for the organization. Uses discretion with confidential information.

Observation/Notes/Comments:

5. **Innovation/Creativity** – Develops new and unique ideas; is effective in brainstorming sessions, brings new ideas forward; creates opportunities and overcomes obstacles by rethinking the business; creates new and unique approaches to resolve problems.

Observation/Notes/Comments:

6. **Results Orientation** – Pursues all tasks with high energy, drive and need to finish; can be counted on to exceed goals successfully; steadfastly pushes self (and others where appropriate) for results; demonstrates a bias for action; gets things done but doesn't lose sight of "how things are done" when moving toward goals. Sets an example of hard work and commitment; displays a sense of enthusiasm and appropriate urgency; uses his/her time effectively and efficiently; sets priorities, prioritizes tasks and focuses time accordingly.

Observation/Notes/Comments:

7. **(For Managers) Motivating Employees** – Can motivate many kinds of individual and team or project team managers; empowers others; pushes tasks and decisions down; invites input from others and shares ownership and visibility; makes associates feel their work is important; is someone people like working for and with.

Observation/Notes/Comments:

8. **(For Managers) People Development** – Provides challenging and stretching assignments; holds frequent development discussions; is aware of associates' career goals; brings out the best in people; is a people builder. Is seen as a leader; is supportive; is diversity-oriented. Conducts regular, effective employee reviews.

How to Evaluate Employee Performance

Annual Performance Evaluation Template

Observation/Notes/Comments:

Overall Performance Summary – At the end of the performance period, comment below on the employee's overall performance in the job against defined goals/objectives and expected behaviors.

Observation/Notes/Comments:

Employee's Comments on the Performance Appraisal –

Reviewed By:

Supervisor's Signature ____ **Date:** ____________

Employee's Signature: ____ **Date:** ____________

About Pacific Crest Group

Pacific Crest Group was founded by a team of entrepreneurs with solid experience in accounting, finance, and billing administration. We've built our business in the San Francisco Bay Area by adding new staff with expertise in human resources and employee development, business development, and information technology.

The Pacific Crest Group work environment is about balance. We work hard, but we also want to enjoy our lives! An open office and a spirit of team work allow us to enjoy the time we spend at work, and group events help us enjoy the real world.

Our Mission

Our mission is to help your business become more successful in your terms. For some clients, this means dramatic financial growth; for others, it's about running more efficiently, or focusing on your customers instead of back-office administration.

PCG approaches financial and business management much like doctors treat patients. Certain circumstances call for the resolution of a specific isolated problem, while others require a more holistic approach that considers many aspects of a business' well being.

We eliminate obstacles to your success—for example, inadequate financial processes or cumbersome IT systems—and to enhance your most valuable resource, the people who work for you.

Beyond our unparalleled competency in accounting and HR, Pacific Crest Group's real strength lies in our ability to recognize organizational needs and opportunities for improvement. We know how to optimize and integrate your financial procedures, computer systems, and human resources matters, such that you can focus on what you do best and grow your business to its full potential.

What Pacific Crest Group's Human Resources Consulting Targets

Pacific Crest Group's consulting services target what is most likely your largest business expense – your employees – with the goal of helping you build the strongest, most productive team possible. From analyzing your compensation structure, to helping develop your leaders, to navigating high-risk situations with problem employees, our consultants work with you in a way that suits you and your business, not just the average business.

- Advanced Leadership Training
- Professional Development for EEs
- Establish Policies & Procedures, Standards for behavior
- Recruiting, Hiring, Terminations
- HR compliance and payroll

For more information about our company, visit our website at: **www.pcg-services.com** or call us at **415-461-2586** for a Free consultation.