



Becoming One of the Best

Steps you can take to become a best company to work for.

You see the list of “Best Companies to Work For” every year, but now you’ve decided to aim for it yourself next year. But how to get there? Best companies tend to have fewer employee complaints ... and fewer lawsuits. Here are a few other thoughts on how to be one of the best places to work.

- 1. Adopt the “Is this the right thing to do?” test.** Before you demote, promote, discharge or suspend someone, ask yourself if this is the right thing to do. Will the employee be surprised? Are you being consistent with decisions you made with other employees? Do past performance reviews accurately reflect past performance?
- 2. Avoid recruiting and hiring mistakes.** Conduct criminal background checks and contact listed references. You will be glad you did. Consistently follow the same hiring process for every employee or

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else jurors (or other observers) may think you are unfairly biased. Interview questions about religion, sexual orientation, past worker’s compensation claims or a candidate’s physical or mental health should be avoided. You can ask about previous convictions, but not about arrests. Since April 2009, you must use the new I-9 form, which requires unexpired verification documents.

- 3. Avoid mistakes with current employees.** If you have not updated your handbook in the past year, it’s out of date. Make sure each employee acknowledges in writing receipt of the handbook and that the company has an “open door” policy to voice concerns.
- 4. Train employees on workplace rules.** Employers must train employees (including management) so they understand the company policy against retaliation and the Americans with Disabilities Act. In addition, they should know that harassment is not limited to gender but can include political affiliation, religion, age, race, national origin, disability and marital status.
- 5. Non-exempt employees get breaks, lunch and overtime pay.** The

Department of Labor is auditing companies to ensure employees get breaks and overtime pay. Hire counsel to perform an audit of the company’s wage/hour practices.

- 6. Don’t misclassify hourly employees as salaried employees.** Annual audits should be conducted to confirm employees’ positions are properly classified.
- 7. Give accurate, timely and complete employee performance reviews.** Lawsuits can be won or lost based on performance reviews. If an employee benefiting from grade inflation subsequently experiences an adverse action due to poor performance, the inflated performance reviews will come back to haunt you. Managers must be trained to work on performance appraisals in a timely manner.
- 8. Investigate employee complaints and take remedial action when necessary.** Document your investigation and rationale for your decision. You will need these records later if you are sued.
- 9. Know the fast-changing employee leave laws.** The past 18 months brought many changes to employee leave laws. Make sure you know what those changes are.
- 10. Give narrowly focused employee references.** Defamatory comments about former employees create lawsuits. Limit references to position held, dates of employment and last salary.
- 11. Comply with new COBRA.** The recent stimulus bill changes COBRA coverage, and amendments require every employer to advance 65 percent of COBRA premiums for nine months for employees involuntarily terminated without cause from Sept. 1, 2008, to Dec. 31, 2009. Employers will be reimbursed through payroll offsets.
- 12. Do not “friend” a subordinate.** Social networking has changed the way some people tend to relate with others. If you are a supervisor, think twice before agreeing to “friend” or “recommend” someone on Facebook or LinkedIn.

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