

January 2014 Essential Update

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I want to start by thanking you for all the support you provided me during the course of last year. It was a year of change for me and for Essential HR. As a result we head into the new year with the additional resources I need to provide you with an enhanced service ability.

I wish you all a very prosperous 2014 and so the main thrust of this month's update is an encouragement to take a little time out to reflect on some key elements of your business – it invariably pays dividends.

Included in this month's update:

- **Helpful Hint** – Working on your business?
- **Did You Know?** – Absenteeism
- **Legal Latest** – Investigating Complaints

Helpful Hint

Working on your Business

The start of a fresh new year is a great chance to take stock of the year just finished and consider the opportunities and challenges of the year ahead. Why not include an annual warrant of fitness test on the people aspects of your business to ensure you are set up to benefit both your people and your business.

In any organisation, particularly once you have gone past the initial start-up phases, there are a number of actions that your business will need on a regular basis. Some of them happen quite naturally as your business develops and people change; but at other times they languish and, if they do, people can get irritated leaving your business to suffer. It's all about keeping current, remaining meaningful and being strategic.

In relation to the HR function of a business, these are as follows:

1. **Workforce Planning** – this is a subset of business strategic planning and means thinking about what staff (levels and competencies) are needed in order to achieve the business goals you have in mind for the year. Gaining an understanding of this will lead to a number of different actions:
 - a. **Strategic recruitment** – where you identify that you will need a particular type of person you do not currently employ and start recruitment well in advance of need;
 - b. **Change management** – where you identify in advance that you will need to restructure some jobs in order to enable you to obtain the right structure of workforce at the right time;
 - c. **Targeted training and succession management** – where you know you have the right people but they need to develop extra skills in order to fill the roles you have for them in the future.
2. **Performance Management** – a review of the performance standards that you expect within each role and how well your staff perform against those standards. This process both ensures you get the right sort of performance and productivity, and also inspires action where it's identified that something is amiss. This is usually a good time to ensure that everyone's job descriptions

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Essential HR News

Follow our weekly updates

At least once per week we will post a short informative post on the website. You may subscribe to our weekly blogs using the "Subscribe" button on the "Keeping you posted" page, <http://www.essentialhr.co.nz/news/>.

This month I have posted on:

On-Call pay rates - Allowances seem to be reasonably standard and fairly minimal. Time and a half for hours called out, a minimum per call out; and a weekly allowance for being available (this is dependent on just how close by you have to be).

Policies v Agreements – If they are not consistent they may not be enforceable. Mighty River Power found they couldn't enforce their drug testing because of their Privacy policy.

Starting a Business – the benefits of sorting documents up front.

Effective Listening Workshop

There are a few places available on a free Effective Listening Skills workshop Mike is running as part of a Toastmasters initiative. The workshop is on February 13th from 4-6pm at 94 Disraeli Street.

If interested call for more details.

still reflect what they are required to do to make performance requirements very clear to everyone.

3. **Individual Development Reviews** – this is a check to ensure that every employee is learning the new skills/knowledge that the business needs them to; that they are able to take on responsibilities as required and that they are growing in a manner that gives them job satisfaction and delivers a maximum return on your training investment.
4. **Remuneration Reviews** – are clearly a look at what everyone is being paid – to satisfy yourself they are reasonably remunerated both against the external workforce and in relation to each other. This doesn't mean you have to give increases – though you may have to ask if you can afford not to?
5. **Health and Safety Review** – best practice in this area means having a policy requiring a review of system, hazards and controls at least every couple of years (more frequently the more hazardous the situation) – so this is an exercise to formally consider your hazards and controls and the system documentation (and to ensure you meet basic legal requirements!)
6. **Agreement and Policy review** – a look at your standard employment agreement and all key policies (e.g. drug and alcohol) to ensure they are compliant with law changes (including case law) and still deliver protection against your key risks.
7. **Risk Management Review** – a consideration of all your key business risks and whether you are addressing them ... includes the risk of losing a key employee; financial risks of trade interruptions with respect to paying wages, etc. This is often undertaken in conjunction with your business strategic planning.

Addressing all of the above regularly (ideally on an annual basis) will give your staff the message that they are important and that their performance matters to the business. Addressing them will result in happier, more productive staff and much better use of company resources. And they need not take much time. They do not have to be overly “formal” – but they do need to happen.

You may believe that you have no time to plan for the HR aspects of your business but my experience is that many companies do not reflect in this way and it's too late to try and get the house in order when the problem has already arisen. Consider:

- Do I know what people and skills I am going to need for my business this year?
- Do my people know how well they are performing and what to do about it if they don't meet our standards?
- Are job descriptions up-to-date?
- Are staff growing in ways that benefit both the business and them?
- Am I happy staff are being well enough paid – and consistently in relation to the market and to each other?
- Are my Health and Safety documents up-to-date and do my Health and Safety practices meet my obligations under the law?
- Do my policies and procedures minimise my business risks and provide clear guidelines for my employees?
- Are Employment Agreements both legal and best practice?

Mike's Whereabouts

Ashburton: 27 Jan; 5 Feb; 12 Feb.

Westport: 28/9 Jan; ? Feb

Did you Know?

An estimated 6.1 million days' work was lost to NZ in 2012 because of absences. The first *Wellness in the Workplace* survey identified SMEs average less than 4 days absence per person p.a.

You can reduce absenteeism by increasing flexibility; focusing on regular and long-term absences more quickly and improving staff loyalty.

Legal Updates

Investigating Complaints

PGs for constructive dismissal are often based on a complaint the employee feels has not been properly investigated. In a recent case the Court threw out such an allegation because the company had used an independent person to investigate. Either way you must take complaints seriously.

Client Survey

As part of my own reflection on my business I have realised that I have no reliable way of obtaining meaningful feedback from you, my clients. I would really like to learn more from you as to where you think my services could improve and where you would like to see additional services.

Over the next couple of weeks you will receive an invitation to participate in a feedback survey for Essential HR. I would highly value your comments and will take any suggestions on board.

To unsubscribe from this Update just respond to the email with “Unsubscribe” in the subject line.