



NONPROFIT ADVISOR

For DAV Departments and Chapters

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THE TROUBLE WITH EMPLOYEES
PART TWO

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In the most recent issue of the newsletter, we addressed five of the most common mistakes that chapters and departments might make with respect to employees. We continue that discussion with five more potentially costly errors.

6. PLAGIARISM OF AN EMPLOYEE MANUAL

Most employers have the good instinct to promulgate some kind of document that lists the basic ground rules for employees to follow. Unfortunately, some employers want to take the easy way out and slap their own names on some other employer's existing manual. That can lead to hilarious and/or disastrous consequences:

- One employer in the printing industry copied a manual from a well-known poultry processor. Imagine the surprise of the print shop employees when they were told that they were entitled to take home two fryers every month!
- Another small employer cannibalized an employee manual from a large manufacturing concern. In that case, the employees suddenly became the beneficiaries of a lucrative (and non-existent) pension plan.
- A DAV chapter copied the employee manual of the DAV National Organization. The unintended result of that cost-saving plagiarism

was that chapter employees were subject to dismissal only by the National Adjutant.

An employee manual should be drafted by an experienced labor relations lawyer or, at the very least, should be the product of one of the several good computer programs that permit customized documents that take into account the size and location of the employer.

7. INFLATED EVALUATIONS

No one likes to criticize another person, especially not one seen every day at work. For that reason, most employee evaluations are inflated. The problem with that should be obvious: a poor employee who is dismissed may have a gold-plated wrongful termination case based on several years of glowing (and totally false) evaluations.

It is far better to dispense entirely with evaluations than to promulgate inaccurate assessments. There is no legal requirement that employees be evaluated. Of course, it is a good idea to document employee performance (good or bad) for various later uses. However, the creation of an evaluation document sometimes causes more problems than it solves.

8. THE FACEBOOK SYNDROME

The evolution of Facebook and other social media has definitely – for good or bad – broken down certain societal barriers concerning privacy.



Personal details that were formerly disclosed only to family members and perhaps intimate friends are now the subject of general announcements for the world, or a substantial segment of it, to see.

The Facebook phenomenon has had effects well beyond the social media sites. Studies have shown that the office atmosphere is more conducive to the sharing of personal details than it was in the past. Conversations around the water cooler are now likely to focus on subjects formerly taboo in the workplace.

The implications of this should be obvious. As tongues and talk in the office become looser, the possibility of the creation of a hostile work environment increases dramatically. Those uncomfortable with intimate chatter may credibly claim that their civil rights are being violated. Employers should be vigilant to ensure that professional demeanor is the enforced standard of office behavior.

9. NEGLECTING INSURANCE

Doing *anything* on a professional basis involves insurance, and having employees just imposes additional insurance obligations.

Most states require all employers to purchase workers compensation insurance, or participate in a state-run program that offers that coverage. This insurance is for the benefit of both the employer and the employee. An employee who collects workers compensation insurance for a workplace injury is precluded from suing the employer in court for the same injury.

Employers who have substantial numbers of employees would do well to consider Employment Practices Liability Insurance (EPLI). EPLI provides coverage and defense costs in the event of an employment lawsuit. Given that an employment case can easily give rise to \$100,000 in legal fees alone, EPLI (which costs a small fraction of that amount) can be a good investment.

Finally, employers need to be aware that certain insurance issues arise with regard to wage payment. Social Security, Medicare and unemployment insurance are among those implicated in this regard.

10. PETTINESS

One of the chief complaints employees in all companies have about working conditions is the pettiness of individual supervisors. The pettiness appears in a number of ways: micro-management, hyper-technical enforcement of work rules, constant berating of workers for the smallest mistakes without corresponding praise for jobs well done, etc. Pettiness breeds discontent and discontent means trouble. The trouble can manifest itself as an unproductive workforce (at best) to a litigious group of employees dedicated to harming the company (at worst). Petty managers need to be retrained and, in extreme cases, replaced.

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