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*employment specialists*

www.career-options.com  
president@career-options.com  
920-832-4500

## Evaluating Your Human Resource Department Does it Need an Internal Audit?

by Lisa Powers, PHR - President/Owner of Career Options

Whether you are an owner of a small service company or an HR Director for a large manufacturing firm, it is imperative to evaluate your current HR Department frequently. As laws constantly change, it becomes almost impossible to stay on top of every issue, but there are some key areas that a person can review to help increase efficiency, reduce turnover, or most importantly, avoid lawsuits.

Most companies these days already have employee handbooks, but often, after the creation, the handbook just sits idle, without ever being updated. Updating the employee handbook can protect the employee and the employer while avoiding misunderstandings between both parties. While some are more complex than others, many handbooks include wording on at-will employment, benefits, sexual harassment/violence in the workplace, worker's compensation, AODA and disciplinary procedures. It is important to provide a lot of relevant information, yet try to keep components simple and to the point. You don't want to overwhelm a new employee with information that is irrelevant. And as always, before giving the final draft to employees, be sure an attorney reviews and approves it to be sure you are compliant with all state and federal laws.

Just as it is crucial to create and update an employee manual, it is equally important to follow it and relate back to it when it comes to discipline, harassment, attendance, or other key issues. If your attendance policy states that a termination will result after seven

occurrences, then be sure to follow that policy. Companies get into trouble when one employee is treated differently than another. If you feel you cannot realistically follow a specific aspect, rewrite it so that it works for your company. Lastly, all employees should be required to sign the handbook at the time of orientation. This will help you to show that the employee did indeed read the manual and understood the terms for employment.

Job descriptions are another aspect of evaluating your HR Department. As a person who has talked to hundreds of different companies to determine staffing needs, I am amazed at how many companies don't really know what they need or what they are looking for. If the HR Department or owner doesn't know, how will an employee truly understand the expectations? Job descriptions provide structure and organization, along with help conducting performance reviews, determining hiring requirements, and giving promotions.

Be sure to include job title, location, summary of duties, responsibilities, essential skills, experience required and physical demands. Essential duties are important as they relate to the Americans with Disabilities Act, ADA. (It is illegal to discriminate as long as a person can do the responsibilities with reasonable accommodations.) One excellent idea is to involve current employees when creating or updating job descriptions! These employees know better than anyone what the job entails. By involving employees, you show you value their opinions and ideas on how to make a stronger, more efficient company!

Performance reviews, another aspect of an effective HR Department, can cause many supervisors to groan inwardly. Why? Because they take a lot of time! However, minutes spent now, can retain employees in the long run. Performance reviews are necessary to provide feedback, allocate rewards, and review employee goals. They must be done in order for employees to truly understand how they are doing. One important aspect is to be complimentary on strengths and detailed on areas for improvement. Many times, managers are too afraid to discuss poor performance or attendance. However, if the employee is eventually terminated due to these reasons, and he/she files a lawsuit, your company could lose if performance reviews did not address any of those concerns. Because of this, managers need training on conducting effective performance reviews so they can benefit the employee and encourage improvement in a positive manner.

Lastly, when evaluating an HR Department, many companies fail to look at their orientation and training period. I am amazed at the number of employees who have rated the orientation program at their last company as fair or poor. Some of the biggest concerns that employees have is the company doesn't explain acceptable or unacceptable behaviors, the company doesn't have a person to train the new employee, and there hasn't been any follow up after the first day. Use your orientation period to show interest in the employee and offer a positive mentorship, and you will have less turnover, guaranteed!

Evaluating your HR Department is an ongoing, difficult, and timely adventure. However, by failing to do so, you could be setting yourself up for unforeseen legal headaches. It is best to be proactive now, rather than spending thousands of dollars in attorney fees, countless hours in prep work, and large amounts of stress on an issue that could have been handled correctly in the first place. The time is now..... Is your HR Department ready for the upcoming year?