

BEING A GOOD EMPLOYER



Another Community Resource for the Not for Profit Sector



ACKNOWLEDGEMENT

The North Shore Community and Social Services Inc. was formed in 1975 and incorporated in 1979. Our organisation, which is a co-ordinating council for community groups, enhances or promotes the community development process on the North Shore and empowers community groups to serve their communities.

COMMUNITY RESOURCES

North Shore Community and Social Services Inc. continues to publish resources that have helped many Not-for-Profit organisations in their day-to-day management.

Our community resources provide affordable, practical, hands on advice, written by experts drawing from their experience working in the community sector.

Should you wish to order any of our publications, an order form is on the next page. Orders can be placed by post, phone, fax or email.

North Shore Community and Social Services Inc.
PO Box 33-284 Takapuna, Auckland 9
Phone: (09) 486-4820 Fax: (09) 486-4823
Email: admin@nscss.org.nz

Have you seen our TRAINING VIDEO?

Can You Manage?

- Part 1 Community Development – A Process to Define Community Needs
- Part 2 Meetings – Be Prepared
- Part 3 Roles and Responsibilities
- Part 4 Being a Good Employer – Getting It Right
- Part 5 Volunteers – A Planned Approach

Running Time 27 minutes

“It helped when our new Board members were elected – we found it humourous and very useful”

“Our meetings are much more focused”

“It helped us when we were formulating policy”

“It is humourous, not at all threatening and promoted good discussion”

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ISBN NO: 1-877415-05-7

WHAT IS A GOOD EMPLOYER?

- One that does not leave a worker without direction
- Supports but does not dominate
- Empowers and encourages
- Has expectations after clear guidelines
- Provides a good job description
- Provides training opportunities
- Provides comfortable working conditions
- Provides necessary tools to produce expected results
- Provides resources for independent supervision
- Does not expect worker to raise own salary
- Says thank you – it costs nothing
- Allows the employee to be a valued part of the organization not someone who presents a faceless report
- Provides regular feedback – good and bad
- Provides opportunities for communication (other than in writing) so difficulties and differences can be resolved before they become conflicts.
- Provides regular performance appraisals and use these as a tool to help workers, strengthen and develop the agency and move forward
- Does not focus on personalities but rather on performance
- Has policies and procedures in place to protect both employees and the Agency
- Does not use employees as a scapegoat for their own power trip.

WHAT IS A GOOD EMPLOYEE?

- One that enhances the philosophy of the organization
- Loyalty
- Commitment
- Fairness
- Honesty and integrity

ROLES AND RESPONSIBILITIES OF AN EMPLOYER

Sources of conflict include communication, structure, personal variables and organizational boundaries (Mullins 1993)

Clear roles and responsibilities are important in every layer of your organization:

1. Your committee (contract or position description)
2. Staff (employment contract/job description)
3. Volunteers (service agreement or contract)
4. Funders/Suppliers (contract or client agreement)
5. Clients (Rights of clients)

DIFFERENCE BETWEEN GOVERNANCE AND MANAGEMENT

Governance is taking responsibility for the overall direction of the organization, including the development of policies that will achieve its goals. Governance is concerned with the purpose, the 'big picture', the 'ends'. People in the governing role are the trustees or stewards of the organisation's kaupapa and wellbeing.

Management is responsible for implementing the policies set down by the governing body and coordinating the day to day activities which achieve the organisation's goals. Management is concerned with methods, the everyday detail, the 'means'. The person in the key management role (CEO/Coordinator/General Manager) is employed by the Governing body and is answerable to it.

The Committee/Boards primary role is the guardianship of the organization. It is concerned about the purpose of the organization. It has a role of Governance.

Management is concerned about the way it is carried out – the hows, whens and wheres.

The Board should therefore:

1. Act as a two way channel between the organization and the outside world, interpreting events in the community in terms of organisational direction.
2. Take responsibility for risk management.
3. Ensure the organisation maintains an emphasis on outcomes or results rather than its own process. Results must be shown for the staff's efforts and operational progress is measured against these results.
4. The Board should establish a good relationship with staff and particularly with the manager. The Board should only ever work through the manager if requesting anything from the staff.

5. The Board should stay clear of organisational trivia. It must find a balance between too much involvement and too little – staying in contact and informed – while not interfering.
6. The Board should (but rarely does) attend to all funding requirements.
7. The Board’s decisions whether unanimous or not, are accepted and supported by all members. There must be unity if you want credibility.

IMPORTANCE OF POLICIES

Policies are formed as a “commandment” for decision making. They should be subject to much consultation and discussion before implementation. Policies act as a safety-net for an organisation and should be a priority.

Policies you should consider:

- **Safety Policy** - (for staff visiting or being visited by clients)
- **Employment Policy** - acknowledge that the Treaty of Waitangi is New Zealand’s founding document, that the agency is an equal opportunity organisation.
- **Financial Management Policies** - Such as cheque signing
- **Dismissal Policy** - termination of employment
- **Complaints Policy** – for all complaints whether from clients or staff
- **Conflict of Interest Policy** for Board Members
- **Sexual and Racial Harassment Policies**

Your particular organisation may wish to introduce other specific policies.

What Are Policies

- A governing tool
- A framework
 1. They provide guidelines, and a framework for all sectors of the organisation whether it be volunteers or board members.
 2. Policies should be formed after consultation at all levels, discussion debate and shared experiences. They should be a fundamental tool of the organisation and be held in a “Policy Manual” which is available to all sectors of the organisation.
 3. Policies should not be implemented to react to a current challenge. They should be implemented proactively so that when a challenge arises, they can be referred to for guidance.
 4. The governing body, whether it be the management committee, executive, or board, should formulate policy. The body is responsible for the stewardship of the organisation and is responsible for policy formation. The Manager/CEO/Executive Officer is responsible for the implementation of the policy.

5. Policies do not have to be lengthy wordy documents, sometimes a one paragraph statement is sufficient.

An example of a Meeting Policy is outlined by Terry Kilmister in “Boards at Work”

SIMPLE MEETING PROCESS POLICY

“The board has as a goal the achievement of effective and efficient meetings. To this end meetings will:

1. be based on a pre-prepared agenda, the preparation of which is the responsibility of the board Chairperson. Such an agenda should reflect the board’s governing role which at all times focuses the board’s attention on the governing process, addressing board ‘ends’ rather than involving in ‘means’.
2. include the CEO as the representative and advocate of the paid staff and volunteers unless staff have been invited to the meeting by the board to present an issue or provide information or advice.
3. be open to the public except when the board declares a section of the meeting to be ‘in committee’.
4. have the right to go ‘in committee’ at any time it chooses but in doing so will;
make the reasons for this clear
reserve the right to include or exclude any non-board member it so chooses
make all efforts to look ahead and signal any such “in committee” session in the agenda or at the beginning of the meeting.
5. be held with the expectation that members have prepared for them and will participate in all discussions at all times within the boundaries of behaviour considered acceptable by the board.”

Why Have Policies?

Healthy organisations have healthy open processes and policies which reflect the culture of the organisation, expectations and processes, eliminate confusion, assist progress and provide accountability.

A voluntary organisation consists of two teams - the policy team led by the Chairperson and the management team led by the senior staff member. Effective co-operation and well-defined working relationships between these two teams are essential.

Decisions need to be made. Procrastination and lack of decision-making is one of the worst scourges of community organisations. By agreeing on policies it removes much of that procrastination and dithering and provides the necessary framework within which decisions can be made.

JOB DESCRIPTIONS AND EMPLOYMENT AGREEMENTS

Employers and employees have rights and responsibilities in the employment relationship.

The Importance Of Good Job Descriptions

If you do not have clear job descriptions, it is almost impossible to have a successful performance appraisal, as there are no standards or expectations to evaluate. The first step is to ensure your job descriptions are clear and adhered to.

Types Of Employment Agreements

There are two types of agreements - individual and collective:

Individual Agreements - are binding on only one individual and one employer. Individual contracts can be verbal or written. An employee must be given a written copy of the agreement and can request a copy at any time. Individual workers may be bound by more than one contract.

Collective Agreements - involves one or more employers and two or more employees. These must be in writing. A copy must be lodged with the Secretary of Labour, P.O. Box 3705, Wellington.

Basics Of An Individual Employment Agreement

Anything can be included in an employment agreement, provided both parties agree, though there are minimum statutory requirements, covered in the following legislation:

- Employment Relations Act 2000
- Holiday Act 2003
- Minimum Wages Act 1983
- Wages Protection Act 1993
- Equal Pay Act 1972 and Human Rights Act 1993
- Parental Leave and Employment Protection Act 1987
- Accident Rehabilitation Compensation Insurance Act 1992

Employment Agreements *must* include

- Effective personal grievance and dispute procedures
- Specify (for collective agreements) an expiry date
- Minimum wages for those over 16 years of age
- Protection against unlawful deductions from pay
- Paid statutory holidays and annual leave
- Paid special leave for sickness, domestic and bereavement reasons

Employment Contracts *should* cover

- Rates of pay, wages and allowances
- Hours of work
- Type of work
- Holidays and other entitlements

DISPUTES

Disputes should be avoided at all costs. Many disputes are the result of poor communication but if a dispute arises we suggest you seek legal advice early in the dispute.

Employment Relations Infoline offer a mediation service. Phone 0800 800863 or search the website www.ers.dol.govt.nz for basic information of employment rights, entitlements and obligations.

STAFF RECORDS

It is important to keep staff records noting starting dates, qualifications, review outcomes, employees expectations and ambitions, training courses undertaken etc. Staff must know that these records are treated as “confidential”.

For more information on employment agreements, see our community resource titled “EMPLOYMENT AGREEMENTS (Including changes up to July 2005)”

COMMUNICATION WITHIN YOUR ORGANISATION

By establishing good communication at every level of your organization many situations can be defused before they become a problem. There should be good communication between:-

- Committee members
- Employees and committee
- Employees
- Volunteers
- Volunteers and employees
- Volunteers and committee
- Committee and funders
- Staff and funders
- Clients and employees
- Clients and volunteers
- Clients and committee

If you do not have communication channels between all these sectors there will be tension.

PERFORMANCE APPRAISALS

The Purpose Of Performance Appraisal

Performance appraisals are a more formal and structured way of meeting similar goals to supervision and support, as well as serving additional purpose:

- They meet agency accountability requirements for services standards.
- They provide the agency and the staff with written records to guide them.
- They meet staff needs to receive feedback on how they are doing, to examine ways of improving performance, and to plan goals for their future career development.

Guidance for Performance Appraisals

- Focus on performance (i.e. outcomes) rather than personality.
- Require quality communication from both parties.
- Should be supportive, not punitive.
- Need to be prepared for by both parties.
- Should take place at intervals of not more than 12 months.
- Should contain no surprises if regular supervision and support processes are effective.
- Give opportunities to step back from the day-to-day concerns of the job and look at broader issues.

Objectives Of Appraisal

Many organisations, companies and firms use performance appraisal systems, but for various purposes. Some objectives for performance appraisal can be classified as **assessment-oriented** while others are **assistance-oriented**; within each system there are specific benefits to be gained by individual managers and subordinates.

1. OBJECTIVES

Assessment Orientated Objectives:

- To provide feedback for subordinates so that they will know where they stand.
- To develop valid data for pay (salary and bonus) and promotion decisions and to provide a means for communicating these decisions.
- To help the manager in making discharge and retention decisions and to provide a means for warning subordinates about unsatisfactory performance.

Assistance Orientated Objectives:

- To counsel and coach subordinates so they will improve their performance and develop future potential
- To develop commitment to the larger organisation through discussion with subordinates of career opportunities and career planning.
- To motivate subordinates through recognition and support.
- To strengthen supervisor-subordinate relations.
- To diagnose individual and organisational problems.

2. BENEFITS

There are numerous benefits to both approaches in performance appraisal systems:

- Establishing individual performance objectives or expectations which are linked to department plans and performance
- Providing regular performance feedback and counseling to staff identifying development and training needs of staff
- Identifying and assisting staff with performance problems
- Providing information for mobility decisions such as temporary assignments and other management initiated transfers

Benefits of Appraisal:

- Determine a development plan for improving job performance and utilization of employees
- Communicates expectations regarding employees performance
- Diagnoses all employees' strengths and weaknesses
- Provides feedback to employees on progress
- Equips you better to guide employees on how to achieve job objectives and requirements
- Assists in succession planning
- Assists you in translating goals into individual work objectives
- Providing a continuous record of employees' performance, experience, personal qualifications, individual goals, etc
- Clarifies and confirms duties, responsibilities or objectives at the beginning of the review period
- Establishes performance standards that are required
- Identifies individual strengths and weaknesses
- Identifies options for improving performance

Who Does Performance Appraisals?

Performance appraisals are normally conducted by the person to whom the worker is immediately responsible.

On rare occasions when this is not possible (e.g. long-term leave), the employer and employee will need to reach agreement on the method to be followed and the involvement of a suitably qualified person is needed to supervise the performance appraisal.

(Performance Practices in Voluntary Agencies: Paid Workers - New Zealand Federation of Voluntary Welfare Organisations)

Qualities Of A Good Performance Appraisal

1. Take it seriously. It is essential to decisions about salaries, promotions, terminations, staffing. Although you may feel awkward about the process, it is an invaluable chance to refresh the working relationship between you and your employees.
2. For employees, most appraisal sessions have the atmosphere of final exam, heavy with the fear of judgment. This atmosphere can be lifted, however, if the manager stresses the positive nature to improve and to have a say in judging their own performance.
3. Performance appraisal must be done against certain standards. It is essential that your employees understand and agree upon their job description. Performance appraisal is principally an exchange of viewpoints and ideas.
4. A performance appraisal should not be a once a year event, Feedback on performance should be continuous to have its best effect. You should keep continuous records on your employees quality of work, attitude, etc.
5. Before going into a performance appraisal meeting you should consider the strengths and weaknesses of the employee, his/her potential, and what the company can do to tap that potential.

Some Perspectives On Performance Appraisals

- Appraisals are designed to enhance performance and provide motivation and recognition - they are not designed as means of criticising or dismissing staff.
- Introducing appraisals requires sensitive handling. There is often fear and misunderstanding among staff of the purpose of appraisals. Time for explanations and discussions at groups or individual meeting with staff, and opportunities for suggestions from staff will encourage positive reactions.
- Don't make the mistake to believing that performance appraisals will fulfill all supervision and support functions in your agency. Performance appraisals are one part only of the agency's responsibility to nurture its human resources.
- Remember that performance appraisals tied to salary reviews tend to be less than satisfactory. Do salary reviews at different times.
- Appraisals which provide surprises for employees suggest that normal supervision and support processes in the agency have broken down.
- Supervisors with a limited experience in undertaking appraisals will benefit by training for this responsibility. Common mistakes made include focusing on irrelevancies, stereotyping (e.g. the supervisor's beliefs on the characteristics of certain classes of workers), being influenced by popularity of the employee, a tendency to assume all failures to meet objectives are to be blamed on the employee rather than exploring other possibilities, or approaching appraisals with predetermined attitudes or beliefs.

For more information on Performance Appraisals, see our community resource titled "Performance Appraisals"

CONFLICT MANAGEMENT

Conflict is a very important feature of all relationships. It can serve as a safety valve that helps to release emotions that may have built up due to many different types of demands.

- families
- work
- relationships generally
- financial problems

Factors That Affect The Development Of Conflict

Personal factors - the psychological make-up of participants:

- needs and wants
- self-concept
- past experience
- health

Environmental factors - the participant may not have any direct control over these factors:

- stage of development of the organisation
- organisational structures
- clients
- state of business
- weather

How Do We Deal With It?

- It is often preferable to begin by establishing procedures for handling disputes rather than dealing immediately with substantive issues.
- It is often preferable to deal with one issue at a time
- It is often preferable to break issues down into smaller units rather than deal with enormous problems with many parts.
- It is often preferable to start with issues that you believe can be most easily resolved to the satisfaction of all parties.
- It is important to eventually get down to the root cause not the ripples.
- It is usually preferable to define the dispute in terms that do not pit the principles of one person against the principles of another. When possible, define the dispute in nonideological terms. Try to find out how your needs and the other's needs can be satisfied. To the extent that values issues are involved, Roger Fisher points out, it is wise to say that "the solution we seek is not only consistent with our principles but is also consistent with those of our adversary - at least if properly construed and applied. By insisting that our adversary can come along without abandoning his principles, we make it easier for him to do so."

Roger Fisher (international conflict and behavioural sciences)

Fighting Fairly - Some Ground Rules

- Purpose:** The parties in the conflict agree that the goal is to fix the problem - not to assign blame, hurt, humiliate, or threaten.
- Timing:** Both parties agree as to when they will work out the solution. (Timing means individual readiness, psychologically, physically, or mentally, to invest energy in resolving the conflict.)
- Commitment:** Both parties agree to “stick it out” until an equitable solution is found - neither party will avoid the issue or run away from it.
- Mediator:** Both parties participate in the decision as to whether or not a third party or mediator is needed. If one is desired, both parties must agree as to who that person will be - preferably someone who is objective to the problem, flexible, assertive about moving things along, has a sense of humour, and has the ability to cut through the superficialities to the meat of the problem.
- Place:** A place that is comfortable and neutral is best. It should provide privacy and be free of all kinds of interruptions.
- Food and Drink:** No drugs or alcohol will be consumed. Refreshments and food should be available as needed.
- Recording:** Both parties need to agree on how the issues and resolutions will be recorded: newsprint, tape recorder, third party, etc.
- Confidentiality:** Both parties agree that whatever happens in the conflict session will remain confidential. Only the terms of any agreement are public and are published jointly.
- Bad-Mouthing:** The parties agree not to bad-mouth each other before or after the session.
- Other Supporters:** Both parties have the right to invite one other person to attend the session. These supporters lend aid and comfort to each person, can provide useful information (only when asked by the mediator), and generally are available to lend emotional support in a trying situation.

FURTHER READING

The Learning Organisation - Bob Garvatt

“Boards at Work” Terry Kilmister

Your local library

Community Resources – contact NSCSS PO Box 33284, Takapuna. North Shore

- Sexual and Racial Harassment Policy Resource Book
- Performance Appraisals
- Employment Agreements
- Conflict Management
- The Role of Committees

You can get advise and Employer Guides from:

Employment Relations Service website www.ers.dol.govt.nz

Employment Relations Infoline 0800 800 863

Your local Employers’ Association has many books available