



Proactive Compliance...The Visionary Approach

Written by Michael Dougal, Principal Consultant, HRValue Group, LLC

In my current reading file, there are at least a dozen articles on avoiding employment lawsuits. Published in credit union journals, human resource publications and generic management and supervision magazines, every article is packed with stories of multi-million dollar settlements, followed by 10 or 20 steps for guarding against expensive and time-consuming lawsuits.

Consequently, when you finish reading such an article, you're left with a sense of urgency to beef up your human resource policies, check your performance appraisals for adverse impact and review your wage and salary program for pay equity.

I'm concerned that the media frenzy over high-profile employee lawsuits is making us *more reactionary and less proactive* when it comes to human resource management.

Take, for example, employee performance appraisals. Many managers and supervisors simply look at performance appraisals as a necessary evil which will protect the credit union should it ever be sued in a termination case. And documentation of human resource policies is often undertaken in response to a real or perceived threat of a lawsuit.

But, establishing policies and documenting performance – merely for the sake of avoiding a lawsuit – is missing the point. The real benefit of a customized human resource policy manual is improved communication, consistency and fairness of decisions, and the time-savings realized by having a comprehensive management tool at your fingertips. And customized performance management programs offer a clear understanding of job expectations and the opportunity for a supervisor to mentor and coach employees to maximize their performance.

These are the true benefits of human resource management. *Communication, fair decisions and improved performance.*

It's important to maintain that perspective in formalizing your HR policies and procedures. So for all the right reasons, take a look at your performance appraisal system, your HR policies and your wage and salary administration program. Are they fair? Are they objective? Do they open the lines of communication between staff and management?

If you answer yes to these questions, chances are they will also stand up to any challenge in a court of law and, more importantly, they will eliminate the need for employees to seek legal recourse in the first place.

If you answered no to any of the questions, HRValue Group offers the tools necessary to set in place comprehensive programs that comply with state and federal laws. Our programs also offer improved



communication and other benefits that focus on making the workplace a mutually beneficial environment for both the credit union and its employees.

As businesses, credit unions have a duty to comply with applicable employment laws; however, as caring employers, they also have the moral duty to be fair, equitable and conscientious. Will we ever get back to the simpler times of company loyalty, mutual respect and unwavering trust between a company and its employees? Perhaps not, but should we try? Of course.

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