



THIRD QUARTER 2005

HR Compliance 101, LLC

Putting Companies in the Safety Zone Since 1978

Your Company Is at Risk:

Keep It Safe by Following These Hiring Rules

The company's first part-time employee put in a fraudulent Worker's Compensation claim within her first 30 days of employment. The employee claimed that she was hired for a full-time job and ended up collecting more money on Workers' Compensation than she would have made if she had been legitimately working. It took over six months to resolve this issue.

It can happen to you.

Some people actually make their living through fraudulent Workers' Compensation claims or law suits against employers. Sexual harassment and discrimination suits have become especially frequent in recent years. That's one reason why the time you spend with applicants *before* you hire them is critical.

At HR Compliance 101 we recommend the following policies:

1. Make sure the applicant fills out the application in the presence of a designated employee. Never ever let applications leave your facility. Applicants who can't read and write will offer many legitimate-sounding excuses for taking an application home and will then ask a parent or friend to complete it. If possible, review the application for completeness before the person leaves.
2. Check all references. You may be tempted to skimp if an applicant is recommended by one of your valued employees. And an applicant with just two previous jobs, 3 or more years of employment in each, and no gaps between will certainly require far less checking than an applicant with five jobs in one year. But you must still check all

references. The methods for checking references are too numerous to outline here; call HR Compliance 101 for suggestions and help.

3. Conduct a physical or phone interview with the applicant. During the interview, give the applicant a job description that includes the physical requirements of the position. Since it's illegal for employers to ask medical questions, the job description gives applicants a chance to bow out if they can't fulfill the physical requirements. It also prompts an applicant to ask about the essential functions of the job—so both of you can make an educated decision. (For more about illegal questions, see this issue's "Workplace and Training" solutions.)

Employees are a company's greatest asset. Each employee you hire becomes an element in creating your company's culture. Be careful. With the right procedures, you'll reap the benefits of great—and ethical—employees.

The next newsletter will address ways of legally going through the disciplinary process to eliminate employees who don't fit into your culture or to help them modify their behavior.

From Our Customers

"Pauline astutely saw the need in the world of small business for an educated and experienced person in human relations and compliance issues. She's able to assist companies in these areas in an outsourced and objective process, saving small companies the inordinate expense of their own human relations personnel." Robin Picard, Southwest Regional Manager, Microcredit-NH

This newsletter refers to some of the regulations that may currently apply to small businesses.

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Compliance Alert

Do you have more than five employees? If you do, have you held your second quarterly meeting with your Joint Loss Management Committee? The New Hampshire Department of Labor requires all New Hampshire employers to establish a safety committee composed of both management and elected employee representatives. Lack of an active Joint Loss Management Committee is number 2 on a list of New Hampshire Department of Labor common citations.

Among other tasks, the Joint Loss Management Committee identifies workplace hazards, develops and implements corrective actions, reviews safety programs and produces minutes of their meetings for all employees. If you don't have an active committee, HR Compliance 101 can put you into compliance.



Workplace and Training Solutions

Q. I've never interviewed anyone before and I understand there are questions I can't ask. How do I know what's legal?

A. You can only ask questions that are specifically job related. It's illegal to ask questions that prompt the applicant for information about a protected status (for example, age or religion) or that could lead to a charge of discrimination against your company for *not* hiring that particular applicant.

Especially if you're new to interviewing, you should work with a professional to create a series of specific job-related questions that you ask of every applicant. HR Compliance 101 will be happy to assist you. Don't wander from the script, and keep notes of the applicant's responses. Your records of the interview will become an important factor if a suit is brought against your company.

For Our Customers

We now accept Credit Cards.

Ignore those poster companies. Don't pay for any posters! We'll supply you with required State and Federal posters for free—and we'll teach you the secret to getting them for yourself.