

How to Establish Fair and Equitable Employee Discipline Policies

By Robert A. Normand

SUMMARY: Every company has its share of employee problems that range from insubordination and tardiness to chronic absenteeism, substance abuse, violent behavior, theft and the like. It is critically important that a small or emerging business establish a formal, written discipline policy and administer it in a fair and equitable fashion. The policy must be universally communicated and made available to any employee on demand.

Definition of Discipline Problems

One of the more common criticisms employees in small or emerging businesses have of their owners is that they are often "arbitrary", "capricious" or "unpredictable". These descriptors always scored high on our consultant employee surveys. The reason is simple: without formal, written policies and procedures to guide them, decisions rendered by management, though often fair, are interpreted differently by different employees. Also, managers naturally tend to be inconsistent over time without a written policy guideline.

Remember, it is the intent of any policy of this nature to anticipate probable violations of company policy and to encourage employees to change their behavior *before* it becomes chronic or unacceptable and before discharge becomes the only option.

Management discipline problems can be roughly divided into three categories:

No-Show: Chronic absence; Excessive Tardiness; Leaving Without Permission; Failure to Report Absence Before Starting Work

On-The-Job Behavior: Recurrent Errors; Failure to Carry Out Assignments; Refusal to Accept Assignments; Use or Possession of Controlled Substances; Sleeping on the Job; Poor Housekeeping, Unauthorized Smoking; Fighting, Gambling, Failure to Use Safety Devices; Violation of Dress Code; Delaying or Restricting Operations; Distribution or Possession of Sexual, Political or Religious Material on Company Property; Threatening Supervisor; Possession of Firearms or Other Weapons; Excessive Interruption of Work for Personal Business; Malicious Waste or Abuse of Company Property.

Other Acts: Theft, Embezzlement; Altering Time Cards or Punching Another Employee's; Falsifying Work Records; Removal or Use of Company Property for Personal Use; Misconduct Casting Discredit Upon the Company.

Seriousness of Offense and Consequences

It is important to establish what occurs on the first and repeated offense in each case. Depending upon the violation and the number of repeated offenses, consequences might be a verbal warning, a written warning, suspension or discharge. For less serious offenses, up to four repeats may be advisable with the consequence increasing on each repeated offense. For example, carelessness is a correctable behavioral problem (as long as it's not related to safety) and might go through all four stages: Verbal Warning, Written Warning, Suspension and lastly, Discharge.

On the other hand, possession of controlled substances at work or intoxication or working under the influence of such substances could and should be met with discharge on the first offense. Employee Assistance Programs (EAP) can be used to mitigate the discharge consequence if the employee agrees to participate.

Consistency in Application of Policy

Management must make a concerted effort to enforce all policies routinely and consistently, including the discipline policy, without regard to friendship, family considerations or favoritism of any kind. Failure to do so will weaken and perhaps nullify policies and certainly will create morale problems within the company.

This includes behavior of all personnel up to and including the owner/CEO/President.

Legal Considerations

Written warnings and discharges should be documented in writing with acknowledgements signed by the employee. In our current hyperactive litigious business climate, it is important that the company protect itself by showing due diligence in the enforcement of policies. Written documentation available in the employees personal record related to disciplinary action will go a long way to protect the company in a labor dispute or potential litigation.

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