

# **CBDC Business Start-Up Course**

## ***Lesson Ten – The Basics of Management***

**Presented by Community Business Development Corporations and  
Nova Scotia Works**



**Community Business Development Corporation**  
**Corporation au bénéfice du développement communautaire**



**NOVA SCOTIA WORKS**

In today's changing work environments, the day-to-day duties associated with effective employee management can be overwhelming for many employers, especially small and medium sized employers that do not have access to dedicated human resource professionals. This section provides tools, links, and resources to help understand and stay on top of current employment legislation; implement employee orientation; maintain personnel records; and manage employee performance, including attendance and discipline measures.

## **Personnel Records**

Employers are required by provincial/federal legislation to keep confidential, accurate, complete, and current personnel records.

Records also:

- allows employers to track absence levels, staff turnover, sickness, accidents, lateness, discipline, etc., and take appropriate and timely action.
- helps ensure that workers receive their correct pay, holidays, pension and other entitlements and benefits.
- helps to monitor fair and consistent treatment of staff, for example in relation to promotion and discipline, and for worker development purposes.
- can provide a defense for the employer if legal issues arise.

Download a [Sample Personnel Form](#) and an [Employment Statement](#) (en anglais seulement)

## **Record of Employment (ROE)**

Employers are required to provide the employee with a Record of Employment (separation papers) after the employment relationship ends.

Click [here](#) for information on where to find, and how to fill out the ROE form.

Have other questions about employment insurance? Visit the Employment and Social Development Canada (ESDC) [EI - Information for Employers](#) webpage.

## **Payroll**

When you hire an employee, you will need to meet your payroll tax and deduction obligations as laid out by Federal government policy. More details on your requirements as an employer can be found the [Canada Revenue Agency](#).

## Orientation

Orientation of new employees reduces staff turnover, increases productivity, decreases new employee anxiety, and boosts morale. It provides the opportunity to create a good first impression, to create proper employee expectations and goals, and to familiarize new employees with their roles, the organization, its policies, and other employees. Download the [New Employee Orientation checklist](#) and [Employee Handbook](#) to help ensure your new employee is onboarded smoothly.

## Role of the Supervisor

Over the years, the role of the supervisor has changed. At one time, supervisors were feared order-givers who told employees what to do and policed their work. Successful supervisors today are more likely to be good leaders, coaches, and motivators. Good supervisors are respected by their team members, because most employers have come to understand that people are more productive if they are happy, motivated, and upbeat.

Most supervisors get promoted because they are good on the job. They are hard-working, productive, loyal to the company, and a good team player. While this is a good start, many other skills are needed to be effective at supervising others. This checklist can be used to ensure that (a) your supervisors have the skills and training they need to do their jobs well and (b) you have delegated appropriate authority and responsibility to your supervisors.

The role of a supervisor can be summarized as follows:

- **Leadership:** The supervisor understands the company's goals and objectives and guides the planning of day-to-day work of the employees to ensure they contribute to meeting those goals and objectives. The supervisor sets an example with enthusiasm and a positive outlook and provides feedback and encouragement to the team to increase their desire to do even better.
- **Goal Setting and Performance Management:** The supervisor has a well-defined plan and performance goals that tie into the company's overall plans. The supervisor understands the priorities, closely tracks progress, and keeps the team members informed. The supervisor is in daily contact with the team members to ensure they are performing their duties correctly and efficiently, provides feedback and corrects procedures, processes, or behaviors immediately when it is required.
- **Motivating:** An effective supervisor knows the team members well and knows what is important to them. The supervisor provides feedback, demonstrates confidence in their abilities and clearly communicates goals and expectations. When training is needed to

develop skills necessary for good performance, the supervisor facilitates arrangements for that training.

- **Coaching and Mentoring:** The supervisor works one-on-one with employees to help them identify areas in which they need to improve or develop and provides or arranges for individual guidance when needed.
- **Communications and Relationship Building:** The supervisor is the link among employees on the team and between the employee and the owners of the company. Strong relationships and clear communication help workers understand what is expected of them, and what the expectations are when performance issues arise. By dealing honestly and respectfully with all employees the supervisor creates an environment of trust and respect that is very important to good employee performance.
- **Team Building:** For the company to get maximum benefit from the work performed, it is important that all employees work together well, with minimum disruptions because of job or personal conflicts. The supervisor plays a key role in developing and promoting team spirit and positive interpersonal relationships amongst the team members. As the team leader, the supervisor discourages behaviors that have a negative impact on the team.
- **Managing Stress:** Because of the close working relationships, the supervisor is uniquely positioned to spot when team members are under stress. The supervisor can help them deal with the situation before it gets out of hand and can facilitate their referral to third-party help when needed.
- **Staffing:** Supervisors regularly review the tasks and needs of their employees. As such, they are often the first to notice the need for training of a current employee, the potential for advancement of current employees or the need for a new position in the organization.

### **Managing Performance**

Performance management is a day-to-day ongoing process that creates an environment in which individual workers are enabled to perform to the best of their ability. Individual skills, abilities and behaviors are monitored, encouraged, and nurtured to allow workers to meet, and perhaps exceed, the targets and standards that you want them to meet.

There are two reasons for managing performance of your workers. Firstly, you want to make sure your employees are competent in their work so that they can achieve the performance you want from them. Secondly, you want to help your employees to grow in their abilities so that they can exceed the performance you expect from them. If that happens, their productivity will increase, and you will be developing future managers and leaders within your company.

Several actions are needed to achieve this:

- Develop clear job descriptions that align jobs with the goals of the company.
- Use a strong recruitment and selection process that makes appropriate matches of individuals with jobs.
- Work out with each employee what you expect them to accomplish, the standards you expect them to meet, the outcomes you expect them to achieve in their jobs, and how those outcomes will be measured. This is sometimes referred to as management-by-objectives.
- Make sure new hires are well oriented to the company, have the right education and training to do the job, and have an opportunity to continue to develop their skills and abilities to stay current with the needs of the job.
- Provide ongoing coaching and feedback to each and every employee. In general, employees want feedback. They want to know how well they are doing, whether they are doing the right things, and whether they are meeting the expectations of the organization. Employees appreciate feedback that is delivered at the right time and in a respectful way.
- Design compensation and recognition programs that reward people for their contributions to your company's goals and objectives, not for the time they punched.
- Provide opportunities for employees to advance within your company by making development opportunities available to them, by knowing their strengths and ambitions, and by coaching them in their work.
- Formally review the performance of each worker at least annually, comparing the outcomes from the work with the job description.

### **Managing Attendance**

Managing attendance is more than keeping track of days that employees are absent! Managing attendance also means taking positive actions to reduce the number of days lost.

A certain level of employee absence is unavoidable in the workplace, as people are ill, attend to family responsibilities, or feel uninspired. Employers can reduce the amount of absence caused by the workplace. They can also reduce absence due to sickness by proactive management. Small and medium sized employers can learn from HR practitioners who are managing absence.

A good work culture is critical for the success of any action taken to manage absence. When employees feel respected and engaged in the workplace, they are absent less often. The main

driver of employee engagement is good management, which is key to employees feeling valued and involved.

An attendance policy needs to emphasize both preventing 'illegitimate' absence while also providing support to those who are 'legitimately' absent and helping them return to work.

### Measures to Support Attendance

Here are some suggestions for steps you can take to encourage good attendance and to reduce the amount of absence in your workplace.

MEASURES TO SUPPORT ATTENDANCE	DESCRIPTION
Good communication of policy	Decide how you will deal with attendance and absence, and clearly communicate that to your employees.
Health promotion	Raise awareness of health issues, encourage lifestyle changes, and maintain a healthy work environment.
Occupational health services (OHS)	Engage occupational health practitioners including physicians, hygienists, psychologists, ergonomic experts, and occupational health professionals to help you evaluate reasons for absence, assist in planning returns to work and promoting good health.
Employee Assistance Programs	Provide financial support or referral to EAP providers who can help your employees deal with family, financial, addiction, psychological and other issues.
Flexible work schedule	Allow flexible start and finish times, job-sharing, term-time contracts, irregular hours, moving from full to part time working, and other such measures.
Financially rewarding attendance	Reward employees with good attendance with incentives such as bonuses or eligibility for prizes.
Recognizing good attendance	Recognize good attendance in personal letters, company newsletters, or bulletin board announcements.
"Mental Health" days	Allow a limited number of days that can be taken by phoning in on the day when individual feels they cannot face work but are not ill enough to merit a sick day. These can be deducted from annual leave.
Medical services on site	Provide some health-related services on-site, e.g., health checks, back pain clinics and flu vaccinations.

### Measures to Reduce Absence

MEASURES TO REDUCE ABSENCE	DESCRIPTION
Manage absence	Actively manage all absences.
Return to work interviews	Provide accurate, timely and accessible information on absence and its causes. Talk to the employee on the day they return to work after every period of sickness. Welcome the individual back, check they are recovered, review absence record and provide opportunity to discuss any underlying problems contributing to absence.
Use of trigger points	Put in place a specific level of absence at which a personal absence review becomes essential and possible disciplinary action is considered.
Stay in touch during absences	Stay in touch with employees during short- and long-term absences. Have procedures in place for each and communicate them clearly to all staff.
Attendance criteria used for selection	Screen potential employees' past attendance records before offering employment.

### Discipline

Discipline of employees is sometimes necessary to:

- Stop unacceptable behavior
- Correct performance
- Keep the employee as a respected and productive member of the workforce
- Be fair, equal, and justified in your treatment of all your employees with regards to unacceptable behavior or performance in the workplace

Progressive discipline means taking increasingly serious measures against an employee and documenting each step in the employee's personnel file. This documentation shows an effort on your company's part to correct problems and can provide you with a defense and evidence if the employee claims they were dismissed unfairly.

### Discipline Process

Most companies follow a *step process*, where all steps must be documented in the employee's personnel file. However, sometimes a violation is so severe that one or more of the steps is skipped. The steps in this process are:

- Verbal warning – Use this as a first step in noticing or correcting a behavioural or other work-related minor problem.

- Written warning – Written warnings should be clear about the expected change, the time frame for change and what will happen if the warning is not heeded. The employee must sign the warning, acknowledging that it has been reviewed with them. The warning is then kept in the employee's personnel file.
- Suspension without pay – If written warnings did not work, or the employee has committed severe infractions, suspensions can be used. Generally, suspensions are used as a last chance for employees with disciplinary problems and do not work well for problems stemming from lack of skill. When issuing a suspension, make sure you have it written out with the reason and length of suspension. If you are issuing an immediate suspension orally (outside of a disciplinary meeting), write it up as quickly as possible. Always have security or management on hand to escort the employee from the building if necessary. Suspending an employee could raise issues under the termination provisions of provincial regulations, please contact your provincial government to learn more.
- Demotion – Some employers use demotion for infractions based on performance problems, not behavioral problems. Demotions can be immediate but generally follow a short suspension. Employers should not take demotions lightly and should hand them out only during a private meeting. Employers should exercise caution around demoting an employee as the employee could possibly claim they have been constructively dismissed.
- Termination of employment – If progressive discipline does not result in behavior improving to a satisfactory level, the final step is to terminate employment. Before doing so, review the personnel file including all disciplinary action. Make sure you have followed through with all the steps and stuck to the deadlines. Make sure all other options have been taken or explored for the employee. Note the following:
  - Proper notice of termination or pay in lieu of notice must be given in many cases.
  - The amount of notice depends upon how long the employee has been employed with your organization. There are special termination rules for employees with 10 or more years of service. For information on how much notice is required or under what circumstances employment can be terminated without notice contact your provincial government to learn more.
  - Write a letter of discharge and ensure the employee receives their final pay, including any outstanding vacation pay. A Record of Employment must also be completed.
- Employers may also wish to consult with an employment lawyer or experienced HR practitioner to ensure that the proper procedure have been followed.

## **Tips on Developing a Discipline Program for Your Company**

*Don't wait until you have a problem to plan your progressive discipline program!* Having a pre-defined process for discipline will help your company have a more desirable outcome when dealing with an unpleasant workplace issue.

The following tips should help:

- Make sure that employees receive, read, and sign a copy of your company's rules and policies. Put the signed copies in their personnel files.
- Keep your expectations about job performance and duties known to your employees. Manage performance daily and conduct regular performance reviews.
- Start a process to correct behavior as soon as the problem or behaviour occurs. Do not "let this one slide." Apply your discipline process fairly and objectively.
- Be clear about the problem. Investigate the incident or situation before making a judgment or starting a discipline process.
- Inform employees why they are being disciplined and give them opportunities to respond to the problem. Document all disciplinary actions, whether oral or written.
- Have employees sign the disciplinary documents and keep a copy in their files.
- Be well prepared for all disciplinary interviews in advance and bring the documentation to the interview.
- Hold all disciplinary discussions in private, preferably with the employee and the direct supervisor.
- For all stages of progressive discipline, be sure to identify what the problem is, why it is a problem, what the desired performance or behaviour is, and what will happen if the performance or behavior is not corrected in the time allotted.
- Be specific and factual – record details such as times, dates, names, places, problem descriptions, actions agreed upon, and the date and time for a follow-up. Specific statements are easier to prove if the employee disputes the claim.
- Describe the events as they happen and back up conclusions with your observations and the observations of other employees, if possible.
- Be cool and calm – do not let anger or frustration come across in your discussions or your documentation. Be as objective and factual as possible.

- Make sure you don't condone performance problems as it may create difficulties for you if you choose to later rely on those problems as reasons for termination.

### **Communication Checklist**

Information about an organization, its environment, its products, its services, and its people are essential to management and employees. Effective communication is a necessary part of learning for all organizations.

A company needs to communicate with its employees to meet its goals. Otherwise, how do the employees know what to do?

Workplace communications has other benefits:

1. It leads to greater effectiveness.
2. It increases motivation to perform well.
3. It makes for better relationships and understanding between employers and employees.
4. It helps employees feel important, involved, and valued.
5. It has a powerful positive impact the culture of the organization.

### **What to Communicate**

Some of the critical information that requires communication between managers and employees includes:

- Work assignments
- Performance standards
- How well employees are meeting those standards
- Benefits available to employees
- Any changes in benefits
- Company policies
- Changes in company policies
- Significant events in the life of the company that need to be celebrated or that could impact employees

## **Downward Communication**

Downward communication is information that begins at the top levels of the company and feeds down to the employees to inform and influence them. These top-down methods are necessary for managers and owners to have their decisions carried out.

Several methods can be used for this, including:

- **In-House Publications:** Many companies have their own newsletters or bulletins for employees (in both hard copy and electronic formats). The purpose is to inform employees about current developments.
- **Information Booklets:** Employee handbooks are often given to new employees to inform them about company policies and benefits. Other booklets may be given out on subjects relating to human resource activities, such as suggestion programs, occupational health and safety, wage and incentives and retirement.
- **E-mail:** Managers can use e-mail to send a message quickly and easily to everyone in the organization.
- **Intranets:** Some companies are using intranets (internal communication systems) that function like smaller versions of the World Wide Web). Firms use intranets for a variety of purposes, including providing copies of employee handbooks, policy manuals, and company newsletters. They can also be used to create employee directories, update employee accounts, manage succession planning and create discussion groups.

## **Upward Communication**

Upward communication begins with employees and proceeds up to managers and owners to inform or influence them.

Types of upward communication include:

- **Manager-Employee Meetings:** Meetings between managers and groups of employees are used to discuss complaints, suggestions, opinions, or questions. These meetings begin with information sharing by management to inform the group about developments in the company. These meetings give employees a chance to have their say and to have input in the decisions of management.
- **Employee Suggestions:** Inviting employee suggestions is a way of getting ideas from employees. A successful suggestion system begins with the employee's idea and a

discussion with the supervisor. Once the suggestion form is complete, the suggestion system office or committee receives the idea and will inform the employee it has received the suggestion. The idea is then evaluated, and the decision is communicated to the employee.

- Employee Attitude/Opinion Survey: What do employees think about the organization? Do they understand their department's benefit plan? Compensation plan? Answers to these and many other questions can make a useful addition to the human resource department's information.

### **Giving Notice and other Provincial Rules**

For provincially regulated performance, once an employee has been employed for three months, both the employee and the employer must give notice before ending the employment relationship (the employer may choose to provide pay in lieu of notice). The amount of notice - ranging from one week to 16 weeks - depends on the length of time the employee has been with the employer or how many employees are being let go. Special rules may apply for employees who have been employed ten years or more. Determine if a business is federally or provincially regulated and learn more about the rules governing your industry [here](#).

### **Record of Employment (ROE)**

Employers are required to provide the employee with a Record of Employment (separation papers) after the employment relationship ends. [The ROE is a federal document](#).

### **T4**

You will also have to complete a T4 slip for any employees you had and paid, renumarated, or compensated. The Canada Revenue details [information for employers](#) on when and how to complete a T4 slip, and provides a helpful [Employer's Guide](#).

Lesson Ten of the CBDC Business Start-Up Course has covered the topic *Management Basics*, and touched on the subjects of: personnel records, Records of Employment, orientation, discipline, and communication. The next lesson in this part of this course is *Lesson Eleven – Employment Law*.