

Avoiding Employment Pitfalls

as a Woman Business Owner

by Leslie Lajewski, Esq.

Men and women are different, everyone knows that. But what some women do not realize is that the fundamental difference between men and women can impact how a woman business owner conducts herself as an employer and is perceived by her employees. Women wear so many hats – daughter, sister, mother, friend, significant other. Without realizing it, many times women business owners act in accordance with these roles, rather than as the business owner. And sometimes employees (intentionally or not) see their female superiors in the role of mother, wife, sister, etc.

What do you do to minimize this? For women business owners, you must learn to separate out your compassion and emotion from employment decisions. Although this may sound obvious, it can be very difficult – particularly if you are generally a very compassionate, sympathetic or caring person. Here are a few tips:

1. Hiring Practices:

Ask yourself exactly what the duties and responsibilities are for the position you want to fill. Then ask yourself the minimum qualifications you want an applicant to have for the position. Next, draft a written job description based on those duties, responsibilities and qualifications. Use this description in vetting out applications or resumes and when interviewing applicants. Go through the duties and responsibilities with a candidate to ensure that both you and the applicant have the same understanding as to the job requirements.

Conduct background checks, check references, internet searches, etc. on applicants before you hire them. You would be surprised what can come up on a person on a general internet search.

Decide whether you want a written employment agreement or not. If you do, make sure it is written clearly and in simple language. Leaving terms vague can lead to misunderstandings or lawsuits over the scope of the agreement and whether your or the employee breached it. Important to think about in this area is whether you have any intellectual property (confidential client lists, sales ideas, etc.) that you want to make sure an employee cannot walk out the door with and use to compete against you. Err on the side of protecting your business by having a non-compete non-disclosure agreement signed by the employee. Although your natural inclination may be to trust that the candidate, if hired, would never harm your business if they left, do not rely upon this instinct.

Try not to hire family or friends, but if you do, make sure you set the ground rules that (1) business is separate and apart from the familial or social aspect of your relationship, (2) the family member or friend should not expect special treatment because of the relationship, and (3) the friend or family member should acknowledge and understand rules (1) and (2) from the start of the employment relationship. It is also up to you to not cross that business line to the family/social aspect of your relationship.

2. Performance Evaluations and Problems

One of the largest pitfalls employers encounter is a failure to consistently provide performance evaluations or to be honest with employees when giving such reviews. Make a commitment to evaluate employees at least once a year. It helps you set new goals for the employee, lets the employee know where they are succeeding and where they need work, and makes you address performance issues you may not otherwise feel comfortable addressing with an employee.

Look to the job description you drafted for the employee before you hired them and assess their accomplishments and work product against that description. Then be direct and honest in your review with the employee. You may choose to excuse certain shortcomings in performance because of extenuating circumstances but you should put the employee on notice of the deficiencies and why you are excusing them.

3. Benefit Policies

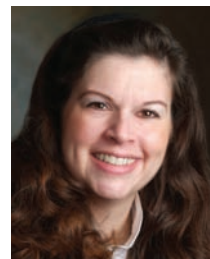
At a minimum, you should have written policies for vacation time, sick or personal time, leaves of absence, and the type and payment of health care benefits. Remember that it is not your obligation to try to take care of an employee having personal problems – at least not at the expense of your business. Before granting any employee additional leave, paid personal time, etc. beyond what your policies allow, you need to assess how it is going to impact your business.

4. Documentation

Document everything. It's that simple.

5. Know the Laws that Apply to Your Business

Know the legal parameters of what you cannot or should not be saying or doing in the employment setting. Take the time to research what employment obligations your business has in New Jersey.



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