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Human Resources Management: Policies and Procedures

CHAPTER **OUTLINE**

HR Policies and Procedures Activities
  Policy and Procedure Development
  Areas of Policy and Procedure Development
Steps in HR Policy and Procedure Development
Review for Legal Compliance
Applying Advanced Technology to HR Policies and Procedures
  Information Dissemination
  Information Storage
HR Policies and Procedures Documentation and Record Keeping
Human Resources Terms
For Your Consideration
Case Study: Human Resources Management in Action
Internet Activities

CHECKLIST **OF CHAPTER LEARNING OBJECTIVES**

As a result of satisfactory completion of this chapter, readers will be able to:

1. Recognize and describe the difference between the HR policies and HR procedures utilized by employers.

2. Identify the steps managers use to develop HR management policies and procedures.

3. Understand the importance of seeking legal counsel and/or review prior to implementing HR policies and procedures.

4. Recognize and appreciate the role advanced technology is currently playing, and will continue to play, in the process of HR-related policy and procedure development.

5. Recognize the most significant reasons why HR managers must develop, implement, and maintain effective HR recordkeeping systems.

Impact on Human Resources Management

Just as culinarians in the hospitality industry know that standardized recipes will help them turn out a quality menu item every time the recipe is followed, those managers working in the HR field recognize that consistency in their own policy-related actions is critical to the smooth operation of their units.

Employees and managers alike want to know that all of the policies and procedures applied to them at work will also be applied, in the same manner, to each of their coworkers. If they do not believe this is true, charges of bias, favoritism, cronyism, sexism, and even racism can result. Therefore, experienced HR managers know they must (1) carefully design and implement any operating policies they wish to utilize, and (2) reliably document their fair and consistent application of those policies.

HR Policy and Procedures Activities

1. **Recognize and describe the difference between the HR policies and HR procedures utilized by employers**.

POLICY AND PROCEDURE DEVELOPMENT

As you have learned, the responsibilities for HR management issues may lie with unit-level managers (in smaller properties) or full-time specialists (in larger hospitality organizations). Assume you have taken a position in which you are ultimately responsible for the HR management issues related to the operation of a newly constructed 45,000-square-foot water park with an attached 400-room hotel and supporting foodservice operations. The facility will ultimately employ more than 300 full- and part-time staff members. Assume also that the facility has yet to open. In such a situation, you will soon be required to make decisions about many employee-related issues and policies. The policies you design must address many topics. Just a few examples include:

1. Employee selection criteria
2. The accumulation and use of employees' vacation time
3. Dress and uniform codes
4. Attendance and tardiness
5. Performance evaluation
6. Termination

The actual procedures you will use to operate your own department must also be developed. These procedures would likely address a variety of issues related to the policies you developed, such as:

1. Who is responsible for selecting employees?
2. How is employee vacation time accrued and recorded?
3. What are the penalties for dress code violations?
4. Who will record employee absences and tardiness?
5. How frequently will employee performance reviews be undertaken? Who will do them?
6. What written documentation will be required in cases of employee termination?

HR policy(ies):
A course of action selected from alternatives and designed to guide future decision making.

HR procedures:
The methods or steps used to effectively develop and apply HR policies.

Note that there is an important relationship between what your business will do (its **HR policies**) and exactly how you will do it (its **HR procedures**).

Consider the HR policy and procedure examples presented in the water park example. Figure 3.1 shows some ways in which these example policies and procedures are related to each other. For purposes of this chapter, the term "policy" will be used to refer to *what* a business operation has determined it should do, while the term "procedure" will refer to *how* it will do it. These procedures may spell out rewards for policy compliance, penalties for noncompliance, and steps required for policy implementation. In most cases, a single policy will require multiple supporting procedures. Some examples of the specific procedures required to support operation policies are illustrated in Figure 3.1.

In some cases, the line between what businesses do and how they do it can be a fine one. However, it is important to remember that, to be effective, HR policies must be supported by procedures that, when followed, ensure the fair and consistent application of the policy.

Policies: What We Will Do	Procedures: How We Will Do It
1. Select employees	1. Use standardized application forms.
2. Grant employees paid vacation	2. Record accrued vacation time biweekly.
3. Implement employee dress codes	3. Impose consistent penalties for noncompliance.
4. Monitor attendance and tardiness	4. Record employee arrival and departure times daily.
5. Conduct performance evaluations	5. Schedule annual employee reviews and designate the reviewers.
6. Terminate employees	6. Develop standards for documenting (in writing) employee terminations.

FIGURE 3.1: HR Policy and Procedure Relationship

Human Resources Management: CURRENT EVENTS 3.1

ENGLISH-ONLY OR SOLO INGLES?

Can a U.S. employer mandate that English is the only language that may be spoken in the workplace? The EEOC recently (2006) announced that it settled a lawsuit against a New York City hotel. The hotel was accused of discriminating against 13 Hispanic employees and ultimately forcing them to resign for speaking Spanish in the workplace. The settlement was $800,000. In addition, the hotel agreed that:

- It is prohibited from maintaining an English-only rule for its employees.
- It will train its managers and employees in equal employment law.
- It will regularly report to the EEOC about any new discrimination complaints it receives.
- It will require its senior vice president to undergo three hours of one-on-one training, which must be reviewed and approved by the EEOC. At a minimum, the training will address the topics of discrimination, retaliation, harassment, diversity, and sensitivity.

Discrimination on the basis of "national origin" is clearly prohibited by Title VII of the Civil Rights Act of 1964 (see Chapter 2). Those employers considering the adoption of an "English-only" at-work policy must be ready to face healthy skepticism on the part of the EEOC. In most cases, a rule requiring employees to speak only English at all times in the workplace will be presumed to violate Title VII and will be closely scrutinized by the EEOC.

An employer may have a rule requiring that employees speak only English at certain times where the employer can show that the rule is justified by business necessity. For example, a server taking an order from diners who speak only English can be required to speak English. If the employer believes the English-only rule is critical for business purposes, employees should be told, in advance (and in writing!), when they are required to speak only English and the consequences of violating the rule. If the company does not do so, its English-only policy will likely be deemed discriminatory if it is challenged.

A better HR policy for hospitality managers may well be the subsidized support of on-site English as a Second Language (ESL) courses for those employees who need and want to improve their English skills. An ESL policy, demonstrating real support for staff needs, sends the right signal to workers, guests, and the community. Not only is it the smart thing to do, it's the right thing to do.

IT'S THE LAW!

In Chapter 2, you learned about employment laws that affect some of the policies that businesses are, and are not, allowed to implement. Can a business organization that has developed and implemented a perfectly legal employment policy still be sued because of the policy, and ultimately lose the case? Absolutely. It happens all the time when the procedures the managers used to support the policy were flawed, deficient, or both.

A policy or action that is perfectly legal must still be applied in a legally coherent (fair) manner, or the courts will simply not support its use. For example, can a hotel, restaurant, casino, or other hospitality operation lay off or terminate employees because of declining sales? In most situations, clearly it can. However, consider the recent real case of an organization that elected to lay off six employees, of whom five were African-American women and one was a Caucasian man.

The women were called into the manager's office and informed they were being laid off effective immediately. They were told to collect their belongings and leave within 30 minutes. In full view of their coworkers, managers monitored them as they cleaned out their lockers. The monitoring was such that coworkers thought they were being observed to prevent stealing. They did not have an opportunity to say goodbye to their coworkers, some of whom cried because they would miss them and felt badly for them.

This was in stark contrast to the treatment the white male received upon his termination. He was given a month's advance notice of his layoff. He was allowed to come to the operation at his convenience to receive his termination notice. He was not monitored as he cleaned out his work area, and he was permitted to walk around the building freely to say goodbye to his coworkers. In this case, the Court of Appeals held that the *manner* in which the layoff was conducted was discriminatory, and the women won their case. They should have.

Despite some popular misconceptions, employers in the United States still enjoy a tremendous amount of freedom (more than in many other economically advanced countries) regarding how they operate their businesses. Can employees be laid off or terminated when business warrants it? Yes, they can. Can an employer (as in this case) do it so poorly that the courts will refuse to support it and, in fact, punish the employer? Yes. Terminations and layoffs are emotional situations in the best of times. Managers must conduct them professionally and with respect. The number-one rule to prevent claims of discrimination related to terminations and layoffs is simple: "be fair and be consistent"! That rule is a good one to apply to all of your HR policies and procedures.

AREAS OF POLICY AND PROCEDURE DEVELOPMENT

Not all of a hospitality operation's policies and procedures relate to HR. To continue our example of the HR manager of a water park resort, many issues would not be under your control. How frequently the pools' filters are cleaned, the proper number of cloth napkins to regularly be held in the food and beverage inventory, and the establishment of the ideal selling price of guest rooms on a given weekend are not decisions made by the HR manager. HR policy and procedure development will, however, have a direct effect on all areas of the resort, as they will on all areas of any other hospitality operation. As experienced managers know, it is not possible to identify all of the subjects within every hospitality operation that require written policies and procedures. Clearly, the policy and procedures needs of a large, multinational hospitality organization will be very different from the needs of a small, independently owned sandwich shop.

Despite differences in size and need, all hospitality organizations undertake HR-related activities that can be readily identified. There are a variety of ways to classify these activities and the policy and procedure making related to them. Figure 3.2 lists one way to categorize the areas of policy and procedure responsibility

Assigned Area/Activity	Requires Policies and Procedures Related To
Staffing the Organization	Operational planning and needs analysis Recruiting Interviewing Selecting
Developing Staff	Employee orientation Training Employee development and career planning Managing and implementing organizational change
Motivating Staff	Job design Employee evaluation Compensation Employee benefits Employee recognition
Maintaining Staff	Employee health Employee safety Employee-related organizational communications

FIGURE 3.2: HR Policy and Procedure Development Areas and Activities

commonly assigned to the HR function. It categorizes the areas of HR policy and procedure development as related to:

- Staffing the organization
- Developing staff
- Motivating staff
- Maintaining staff

As you read about the following tasks normally assigned to those responsible for HR management, consider the policies and procedures development and implementation efforts needed to address these tasks.

Staffing the Organization

The recruitment and selection of employees is probably the area that most hospitality managers think of first when they consider the work of the HR department or the HR manager. Prior to recruiting and selecting employees, however, the HR manager must carefully assess the operation's needs. If, for example, the executive chef of a large convention hotel informs the HR department that an additional chef is needed, the specific skills of that needed individual must be identified. Clearly, if the skills of a **garde-manger** are sought by the executive chef, the recruitment and selection of a **patissier** or **saucier**, regardless of their ability and skill level, will be inappropriate.

In nonhotel operations, but in much the same manner as the previous example, before employees can be recruited, their skill requirements must be established. As a result, even at the smallest of local restaurants, the manager of the operation must still identify the specific skills, knowledge, and abilities of the employees needed by the restaurant. Additionally, it is important to recall that the specific requirements of current labor law mandate that managers thoroughly understand the specific skills required for the jobs they advertise. Identifying and documenting those specific skill sets effectively helps limit the potential legal liability that could be incurred if particular groups of employees are ultimately excluded from the search process. Excluding potential employees on the basis of identified and legitimately required job skills is legal, whereas excluding potential candidates for non-job-related reasons is typically illegal.

After the most critical characteristics related to a job's successful candidates have been carefully identified (see Chapter 6, "Position Analysis" discussion), the two most important staffing-related tasks facing the HR manager are:

- Ensuring an adequate pool of qualified applicants to maximize the operation's chances to hire an outstanding candidate
- Providing enough job information to discourage unqualified job applicants to help prevent the organization from wasting time and resources in the interviewing process

Garde-manger: Pantry chef. Responsible for cold food production, including salads, salad dressings, cold appetizers, charcuterie items, terrines, and similar dishes.

Patissier: Pastry chef. Responsible for all baked items, including breads, pastries, and desserts.

Saucier: Sauté station chef. Responsible for all sautéed items, including most sauces.

The policies and procedures related to employee recruitment and selection are among some of the most important to any organization. In Chapter 4, you will learn how hospitality managers develop policies that help ensure fair hiring practices.

After an adequate number of qualified candidates has been identified, it is the HR manager's job to refer those candidates to the individual who will make the hiring decision (typically in large organizations) or to make the actual selection (in most small organizations). In both situations, candidate testing and/or other assessment steps may precede the actual job offer.

Identifying qualified candidates and *offering* positions to them is only a part of the professional HR manager's job because, in a tight labor market, qualified and talented applicants are very likely to be sought by a variety of organizations. Therefore, the HR manager must also encourage the desired candidate to ultimately *accept* the position. To do this, the HR manager will typically provide the candidate with a good deal of job-related and organization-related information. Topics such as organizational culture, growth plans, and performance expectations are all notable areas that could influence an individual's acceptance decision, and these should be fully discussed with the candidate. Information related to these subjects should be accurate and help the candidate make an appropriate career decision that is best for the candidate and the hospitality organization.

Developing Staff

After new employees are selected, orienting these new employees to the organization becomes an important HR function. Even experienced employees who need little or virtually no skill training will still need to learn much about their new employer. Information about items such as organizational rules, regulations, and goals of the organization, department, and work unit will need to be communicated. Procedurally, questions of who will do the orientation, when it will occur, and what specific topics will be addressed are all HR policy and/or procedure issues.

In some cases, employees may be qualified for the job they have secured but will require facility-specific skill training. For example, even housekeepers with many years of experience cleaning rooms will likely still need to be shown "how we do it here" when they begin work with a new employer. Minor variations in housekeeping procedures, such as the preferred manner of folding terrycloth items (for guest room towels, hand towels, washcloths, and the like) must be taught. In a similar manner, even experienced service staff, if newly hired, will likely need to be instructed on a restaurant's specific table setting, order taking, guest check recording, order pickup, food delivery, and check presentation procedures.

As an employee's career within an organization progresses, that employee may need to acquire new skills. In many cases, changes in the employee's work unit or in the goals and needs of the organization may dictate that additional training is needed. It is also important to remember that many employees hope to advance

within their employing organization. The HR manager should provide those employees, to the greatest degree possible, with opportunities to do so. This may take the form of providing employees with advanced skills training related to their present jobs, training in jobs they may hold in the future, or cross-training employees in new skills to prepare them for different jobs.

The best of HR managers, whether serving the dual role of unit manager or heading a large HR department, know that planning for the future staffing needs of their organization is an ongoing process. The competitive nature of the hospitality industry requires that most organizations have the ability to rapidly add products (such as new menu items) or services (such as those related to providing guests wireless Internet access in hotel rooms) that directly impact that organization's employees. Newly added menu items will likely require additional food production skills training. Adding the feature of wireless Internet access to a hotel's guest rooms will likely require that one or more hotel employees receive additional training in computer-related technology. Regardless of the individual within the organization who will actually do the training, it remains the HR manager's role to ensure that the training is provided and to develop the legally defensible policies and procedures required to do so.

Motivating Staff

The task of motivating employees to do their best is one of the most studied, talked about, and debated of all HR-related topics. The question of how to motivate employees to do their best (or even if it is possible for management to do so) will continue to be discussed. However, one helpful way to consider the role of HR managers in policy and procedure development related to employee motivation is to consider two factors that are commonly agreed to affect worker motivation. These are an employee's:

- Ability to do a job
- Willingness to do a job

The ability of an employee to effectively do the job is affected by the employee's skill level, the availability of effective training, and the worker's access to the tools or information needed to properly complete assigned tasks.

The willingness of employees to work efficiently has long been the subject of study by motivational theorists. Figure 3.3 briefly summarizes five of the most popular and widely discussed theories of employee motivation. Interested managers will be able to readily find additional information about each of these views of employee motivation via a basic Internet search (*google.com*). Regardless of the motivational philosophy adopted by a manager or a hospitality organization, adequate policies and procedures related to its implementation will be crucial to motivating employees.

Motivational Theorist	Motivational Theory	Theory Synopsis
1. Abraham Maslow	Needs Hierarchy	Assumes needs are arranged in a hierarchy and that some needs are more powerful than others. Workers seek to satisfy their needs in the following order: 1. Physiological (first) 2. Safety 3. Love/Belonging 4. Esteem 5. Actualization (last) The first four layers of Maslow's "pyramid" are called "deficiency needs" or "D-needs," because the individual does not feel anything if they are met, but feels anxious if they are not met.
2. Douglas McGregor	Theory X and Theory Y	States that managers tend to hold and act on one of two basic views (theories) about workers. Theory X assumptions are that: 1. The average person dislikes work and will avoid it if he or she can. 2. Most people must be forced with the threat of punishment to work toward an organization's objectives. 3. The average person prefers to be directed, to avoid responsibility, is relatively unambitious, and wants security above all else. Theory Y assumptions are that: 1. Effort in work is as natural as work and play. 2. People will apply self-control and self-direction in the pursuit of organizational objectives, without external control or the threat of punishment. 3. Commitment to objectives is a function of the rewards associated with their achievement.

FIGURE 3.3: Motivational Theorists, Theories, and Theory Synopsis

3. Frederick Herzberg	Motivation/ Hygiene Theory	Identifies two separate groups of factors affecting motivation. "Hygiene factors" cause feelings of dissatisfaction among employees. They include working conditions, pay, and job security. These do not motivate, but their absence adversely affects job performance. "Motivation factors," including concerns such as achievement, learning, and advancement, play a major role in positively influencing performance. Workforce motivation is not possible if hygiene factors are deficient.
4. David McClelland	Three-Need (achievement, affiliation, and power) Theory	States that workers have needs for achievement, affiliation, and power, each of which must be satisfied if they are to be motivated. The theory suggests that these three needs are found to varying degrees in all workers and managers. It also indicates that this mix of motivational needs characterizes an individual's management style in terms of being motivated, as well as in the management and motivation of others.
5. Victor Vroom	Expectancy Theory	Proposes that a worker's motivation is primarily influenced by the "expectation" that additional effort will lead to additional organizational rewards. If this expectation is not met, influencing an employee's motivation in a positive way will not be possible.

FIGURE 3.3: (*Continued*)

Maintaining Staff

Employee Assistance Program: The term used to describe a variety of employer-initiated efforts to assist employees in the areas of family concerns, legal issues, financial matters, and health maintenance.

Even the best of work teams require regular maintenance and care. Policies and procedures related to the maintenance of employees include those that help encourage quality workers to stay with the organization. Major areas of concern include worker health and safety, as well as the development and implementation of **Employee Assistance Programs (EAPs)**.

Additional areas of staff maintenance concern relate to communication efforts designed to keep employees informed about the work-related issues that are important to them. Other policies may identify opportunities for employees to

Human Resources MANAGEMENT ISSUES   (3.1)

"But, Larry, I just can't work on Sunday," said Shingi, a room attendant at the 800-room Courtplace Hotel.

Larry, the executive housekeeper, had just told Shingi that a storm in the area had delayed flights out of the regional airport and that a group that had been scheduled to leave the hotel on Sunday morning was now staying until Monday morning. The result was an additional 110 stayover rooms to clean Sunday, and Larry was hurriedly attempting to add eight housekeepers to the employee schedule.

"Why can't you work on Sunday?" Larry asked. Then, before Shingi could answer, he added, "You know when we hired you, we told you that our business can be unpredictable, and that all employees' work schedules are subject to change."

"I know," replied Shingi, "and I'd work if I could, Larry, because I really need this job. However, after you posted the schedule last week and I saw I was off Sunday, I told my boss it was okay to schedule me at my other job. They always work around my schedule here, but I know I'll get fired if I don't go in, and I need that job too. I'm sorry, I just can't work Sunday."

1. Many employees in the hospitality industry hold more than one job. What are some reasons why they do so?
2. How can Larry determine if the situation in his hotel warrants a "second job" (or moonlighting) policy?
3. As an HR specialist, what specific issues would you advise Larry to consider as he developed and implemented his policy?

have their voices heard by management. Staff meetings, bulletin boards, newsletters, and suggestion boxes are common examples of devices employers routinely use to encourage information exchange.

Now that you are familiar with many common areas in which HR managers develop polices and procedures, it is important for you to also know the process these managers use to properly develop and implement them.

Steps in HR Policy and Procedures Development

2. **Identify the steps managers use to develop HR management policies and procedures.**

It is generally a poor practice to make HR-related decisions based on momentary operational needs. Consider the case of the dining room manager who, because he

was rushed and harried during a busy dinner period, "fires" an employee (busser) who (the manager feels) violated the dress code because the busser's shirt was untucked while clearing tables. In this case, the busser's shirt was indeed untucked. Therefore, it might seem the dining room manager's actions were reasonable. Experienced managers advising this dining room manager would likely, however, first ask a few relevant questions, such as:

1. Was the employee ever informed of the restaurant's "no untucked shirts" policy? Is that requirement specifically listed within the restaurant's dress code?
2. Is there *written* evidence that the employee received and understood (in his own native language) this specific policy?
3. How long has the employee been with the organization?
4. Is this the employee's first dress code policy violation?
5. Was the employee given a reasonable chance to explain the circumstances leading to his violation of the policy?
6. Have, in the past, all employees found to be in similar violation of this same policy been fired immediately? If not, what was the rationale for the firing of this specific employee?
7. Under the laws of the state in which the restaurant is located, will the employee likely qualify to receive unemployment compensation in this case?
8. Are the restaurant's employees unionized? If so, is the termination allowed under the terms of the union contract? Is the restaurant part of a chain? If so, was the termination consistent with the action that has, in the past, been taken by other dining room managers working within the chain?

When managers carefully develop and implement HR-related policies, the risk of expensive and time-consuming HR-related litigation is greatly reduced. *Courtesy PhotoDisc/Getty Images*

9. Has, in the past, this manager ever been accused, successfully or unsuccessfully, of discrimination in the hiring or firing of the restaurant's employees?
10. Given the circumstances of this incident, what message did the dining room manager seek to send to the restaurant's remaining employees? Does the manager feel that the message sent will help or harm the restaurant's long-term HR efforts?

Step	Rationale
1. Identify the HR issue to be addressed.	Policies and procedures typically are developed to address an important issue, establish a standard, or solve an identifiable problem.
2. Consider on-site factors affecting implementation.	Internal factors directly affecting the development of the policy or procedures are considered next. Examples include items such as the existence of a union contract, the objectives management seeks to achieve, and the time frame required for implementation.
3. Consider off-site factors affecting implementation.	Off-site factors that may need to be considered in the policy and procedure development process include overriding chain or franchise policies, local labor-related legislation, and competitor policies.
4. Draft policy and procedures and submit for (legal) review.	After a policy and the procedures required to implement it have been drafted, it is always a good idea to have the draft examined by a qualified legal expert. This step is important in helping to reduce potential litigation directly related to the policy.
5. Develop related documentation and recordkeeping requirements.	After a legal review has been undertaken and completed, managers will develop the recordkeeping procedures needed to ensure the consistent application of the policy, as well as the ability to prove it has indeed been applied consistently.
6. Communicate finalized policy and procedures to affected parties.	HR policies and procedures that have not been adequately communicated to those affected are difficult or may even be impossible to enforce. The final step in policy development and implementation is the policy's clear and timely communication to all affected parties, as well as the documentation of that communication.

FIGURE 3.4: Six-Step Policy and Procedure Development Process

As you can readily see from these questions, management is, in most cases, generally given broad powers to hire and terminate employees. However, today's legal environment, as well as the basic concept of fairness and quality employee relations, mandate that operators should carefully follow policies that they have thoughtfully developed when managing HR issues.

To help minimize the negative consequences that can be associated with improperly developing or applying HR policies, experienced managers should establish a basic policy and procedure development process. While this process will vary based on the size and type of hospitality operation involved, most will follow a series of important steps designed to ensure that only an appropriate development approach is utilized. These steps are shown in Figure 3.4.

In some cases, HR managers can save time by purchasing prewritten policies and procedures that can be utilized as is or modified to apply to their own operations (as well as disseminated to affected employees). To see an example of one such product, go to *www.policytech.com.*

Review for Legal Compliance

3. **Understand the importance of seeking legal counsel and/or review prior to implementing HR policies and procedures**.

Earlier in this chapter, you learned that a legal review was an important step in the policy and procedure development process. The reason why this step is critical for managers is readily apparent when you consider that it makes no sense to develop procedures to support an illegal policy. While experienced HR managers understand that the manner in which a policy is implemented can be flawed, a policy that is already flawed or illegal from the outset simply should not be implemented. In most cases, a legal review of a policy proposed by experienced managers will not indicate that the proposed policy is illegal. Rather, the legal review will more likely indicate potentially troublesome procedural areas to which HR managers should pay close attention.

To see how a legal policy, improperly applied, could create difficulties, and as a result, to illustrate the importance of a thorough legal review, consider the case of Latisha. She is a foodservice director for a local hospital. Latisha's operation prepares and serves more than 500 meals per day. Despite some managers' thoughts to the contrary, Latisha knows that the law allows her much discretion in setting appearance standards for her staff, and she wishes to do so by creating and implementing a department-wide dress code.

In nearly all cases, hospitality managers such as Latisha can (and often do) legally impose rules and guidelines that have a basis in social norms, such as those prohibiting visible tattoos, body piercings, or earrings for men. While tattoos and

piercings may be examples of employee self-expression, they generally are not recognized as signs of religious or racial expression (and thus are not typically protected under federal discrimination laws). For example, in *Cloutier v. Costco Wholesale Corp.*, 390 F.3d 126 (1st Cir. 2004), the First Circuit Court considered whether an employer was required to exempt a cashier from its dress code policy prohibiting facial jewelry (except earrings) and allow her to wear facial piercings as a reasonable religious accommodation. The employee claimed that her religious practice as a member of the Church of Body Modification required she wear the piercings uncovered at all times.

This court accepted that the cashier was protected by Title VII of the Civil Rights Act, without specifically discussing the sincerity of her beliefs, and only ruled on whether her requested exemption from the dress code would impose an undue hardship on the employer. The court found that exempting the employee from the policy would in fact create an undue hardship for the employer because it would "adversely affect the employer's public image," and the employer had a legitimate business interest in cultivating a professional image. The employee's case was dismissed. Certainly, hospitality employers such as Latisha have the same legitimate business interest.

In most cases, a carefully drafted dress code that is applied consistently should not violate discrimination laws. Despite the wide latitude given to hospitality and tourism employers, it is possible that all or part of an implemented dress code can be found to be discriminatory. It is not uncommon for hospitality employees to challenge even well-designed dress codes on the basis of purported discrimination related to their sex, race, or religion.

Sex discrimination claims typically are not successful unless the dress policy has no basis in social customs, differentiates markedly between men and women, or imposes a burden on women that is not imposed on men. Thus, for example, a policy that requires female managers to wear uniforms while male managers are allowed to wear "professional attire," such as their choice of suit and tie, is likely discriminatory. However, dress requirements that reflect current social norms generally are upheld, even when they affect only one sex. For example, in a decision by the Eleventh Circuit Court of Appeals in *Harper v. Blockbuster Entertainment Corp.*, 139 F.3d 1385 (11th Cir. 1998), the court upheld an employer's policy that required only male employees to cut their long hair.

In most cases, race discrimination claims would be difficult for an employee to prove because the employee must show that the employer's dress code has a disparate (and unfair) impact on a protected class of employees. One limited area where race claims have had some success is in challenges to "no beard" policies. A few courts have determined that a policy that requires all male employees to be clean-shaven may discriminate if it does not accommodate individuals with pseudofolliculitis barbae (PFB), a skin condition aggravated by shaving that occurs almost exclusively among African-American males.

Employees have had the most success challenging dress codes on the basis that they violate religious discrimination laws. These charges occur most frequently when an employer is unwilling to allow an employee's religious dress or appearance. For example, a policy may be discriminatory if it does not accommodate an employee's religious need to cover his head or wear a beard. However, if an employer can show that the accommodation would be an undue hardship, such as if the employee's dress or grooming created a safety concern, it would not likely be required to vary to its policy. Interestingly, dress code claims also may be filed under the National Labor Relations Act (NLRA). For example, to comply with the NLRA, employers, even in nonunion workplaces, generally may not ban the wearing of union insignia.

As you have now learned, even in an area such as dress codes—where employers such as Latisha have wide latitude to manage their businesses as they see fit—the potential for legal difficulties can still exist. Virtually any of the areas in which policies and procedures are developed may be the source of litigation, but managers must be most careful in the areas related to the control of employee dress, expression of opinion, and behavior away from the worksite. As a result, experienced HR managers know that, in nearly all cases, a periodic legal review of an organization's overall policy and procedures manual, as well as a specific review each time it is significantly modified or revised, is a wise use of organizational resources.

A careful review for legal compliance is a critical step in the HR policy development process. *Courtesy Purestock*

Human Resources Management:
CURRENT EVENTS 3.2

THE EMERGING BLOGOSPHERE

Web logs, or "blogs," have become extremely popular in recent years, especially in the case of younger workers. In fact, blogging is so popular that it is estimated more than 1 million new blog postings are added to the Internet every day. Most of these are of a personal nature, but some, inevitably, have to do with the blogger's work. Just as inevitably, in some cases, the comments workers make about their workplace or their managers are, to put it gently, less than complimentary. It would be tempting for managers who become aware of derogatory blogs to seek to punish those workers who wrote them (especially if the posted statements are unfair or one-sided), but these managers need to tread very carefully.

As a result of "lawful conduct" statutes employees generally have rights to engage in lawful activities during nonwork hours. Blogging certainly is not illegal. Also, the NLRA grants employees rights that include those related to criticism of their companies and their managers. Furthermore, the NLRA generally protects from retaliation measures those workers who (even publicly) are critical of management.

It is just as important to note, however, that not all work-related speech is protected by the NLRA or laws related to free speech. Reckless or malicious lies, disclosure of confidential company information, and threatening and harassing statements are not typically protected forms of free speech.

Savvy HR managers will carefully watch the emerging blogosphere. If they elect to develop policies regulating blogging, they will also understand that they must carefully navigate the sometimes very fine line between their companies' rights and the rights of their employees.

Applying Advanced Technology to HR Policies and Procedures

4. **Recognize and appreciate the role advanced technology is currently playing, and will continue to play, in the process of HR-related policy and procedure development.**

Some managers in the hospitality industry view the application of technology to operational issues as a problem, rather than an opportunity. It is true that the technological systems used in restaurants, bars, clubs, hotels, and other hospitality operations are far more advanced and complicated today than those available only a short time ago, and these systems continue to advance rapidly. Rather than viewing technology applications as conveying impersonal, cost-savings-only attributes,

HR managers will find that advances in technology have made it easier than ever to do their jobs.

In most cases, two extremely important functions of HR and, as a result, two areas where HR-related technology can be effectively utilized include information dissemination and information storage.

INFORMATION DISSEMINATION

Consider the challenges and opportunities facing the management team of a ski resort that elects to implement a new HR policy about the specific procedures to request time off under the Family Medical Leave Act (FMLA, see Chapter 2). For the managers involved in this policy and procedure development process, one major hurdle they must overcome relates to informing the proper individuals about the new policy and any new procedures associated with it. In the recent past, the managers would have had limited options for disseminating the new information and, just as important, their options for documenting that dissemination would have been limited as well. As a result, changes in policies and procedures were typically accompanied by a **hard copy** document detailing the new policy and procedures. This hard copy would typically be distributed, signed by employees, and then a copy of the document with the confirming signature would be placed in the employee's **personal file**. In other cases, the information might be added to an existing **employee handbook** (or **employee manual**), which, after management had updated all of the affected sections, would be redistributed to employees.

It is important for managers to understand that the courts will generally allow employers wide latitude to enforce a variety of job-related policies and procedures. In most cases, however, those employers must first conclusively show that their employees were, in fact, informed about the policies and procedures. Therefore, documenting an employee's actual receipt of important policy and procedure information is imperative.

In many hospitality operations, the initial dissemination of and documentation that essential employment policies and procedures were received occurs when employees are hired and given an updated copy of the employee handbook. Documentation most often involves placing, in the employee's personal file, a signed document (or photocopy) with the employee's signature stating he or she did receive a copy of the manual. Figure 3.5 is an example of a document that can be utilized to verify employee receipt of an operation's employee handbook and its important policies and procedures.

Increasingly, because of advances in communications technology, the options available for information dissemination are much greater. HR managers can select from a wide variety of communication devices and approaches both for the initial dissemination of important policies and procedures information and for their later modification, additions, and deletions. Returning to the example of the ski resort managers seeking to implement new procedures for requesting time off

Hard copy: The common term for a document that has been printed on paper.

Personal file: A record of information about a single employee's employment. Typically, this file includes information about the employee's personal status, application, performance evaluations, and disciplinary warnings. Also known as a *personnel file*.

Employee handbook: A permanent reference guide for employers and employees that contains information about a company, its goals, and its current employment policies and procedures. Also often referred to as the *employee manual*.

Employee manual: Same as *employee handbook*.

Acknowledgment of Receipt of Employee Handbook

The Employee Handbook contains important information about (*insert company name* _____).
I understand that I should ask my supervisor, manager, or the HR administrator about any
questions I have that have not been answered in the handbook. I have entered into my
employment relationship with the company voluntarily, and understand that there is no
specified length of my employment. Either the Company or I can terminate the relationship
at will, at any time, with or without cause, and with or without advance notice.

   Because the information, policies, procedures, and benefits described in this manual are
subject to change at any time, I acknowledge that revisions to the handbook may occur. All such
changes will be communicated through an official notice, and I understand that revised
information may add to, modify, or eliminate the company's existing policies.

   Also, I understand that this handbook is neither a contract of employment nor a legally
binding agreement. I have been given the time needed to read the handbook, and I agree to
accept the terms in it. I also understand that it is my responsibility to comply with the policies
contained in this handbook and any revisions made to it.

   I understand that I am expected to read the entire handbook. After I have done so, I will
sign two original copies of this Acknowledgment of Receipt, retain one copy for myself, and
return one copy to the company's representative listed below. I understand that this form will
be retained in my personal file.

_____   _____
Signature of Employee   Date

_____
Employee's Name (Printed)

_____   _____
Company Representative   Date

FIGURE 3.5: Sample Employee Handbook Signature Page

under the FMLA, Figure 3.6 summarizes some of the more popular information-
related options available to these managers.

   It is important to recognize that many employees in the hospitality industry
have neither the language skills nor the computer skills and access required to take
advantage of some of the communication options available today. Enlightened
managers know that, ultimately, it is their responsibility, not that of their employ-
ees, to ensure and document that required policy and procedure information has
been provided to those who need it.

**Information
storage:** The
processes,
equipment, and
documents that
make up a company's
records retention
effort.

INFORMATION STORAGE

In addition to expanding the number of information dissemination options avail-
able to managers, advances in technology have increased the number of available
information storage options.

Communication Device	Dissemination Characteristics	Documentation Characteristics
E-mail with attachment	Fast, inexpensive	Recipients can be asked to confirm e-mail receipt prior to opening
Web site posting	Permanent accessibility, but Web site modifications may be costly	Employees may be asked to sign in via an individually issued code prior to gaining access to protected Web site areas
CD	Less expensive, in many cases, than producing traditional hard-copy employee manuals	Employees may be asked to verify, via their signature (on paper copy or electronically), receipt of the CD
Toll-free number: telephone voice recording	Employees may access information via a numerically initiated options menu. Recordings may be made available in multiple languages.	Employees may be asked to verify, via their signature, receipt of the toll-free number allowing their access to the policy and procedure information
Electronic news posting/blog	Inexpensive and instantaneous updates	Employees may be asked to verify, via their signature, receipt of the address of the site/blog

FIGURE 3.6: Manager's Policy and Procedure Initial Dissemination and Documentation Options

In the fairly recent past, most HR-related records in the hospitality and tourism industry simply consisted of hard-copy (paper) files stored in the appropriate employee personal file, or in a file developed specifically for recordkeeping purposes. Thus, for example, information related to employees' requests for time off or paid vacation might be kept in the individual employee's file, or in files designed to track and record these types of employee requests. Obviously, in very large hospitality operations, with hundreds of employees, such a paper-based system could easily become unwieldy and cumbersome. Increasingly, even smaller restaurants, hotels, clubs, and other operations find that management of today's HR-related records and information requires the application of advanced technology hardware and software, partly because of the increases in recordkeeping requirements, as well as the challenges of maintaining accessibility (and security) of HR-related information.

Many HR managers actually find that information storage is one of their greatest challenges. To understand why this is so, consider the following areas for which data storage is of significant concern:

Employment applications

Résumés

Human Resources MANAGEMENT ISSUES   (3.2)

"But that's nearly impossible!" said Trisha Sangus, general manager of the Plaza Intercontinental Hotel, the 750-room convention hotel located in the heart of downtown and adjacent to the city's convention center. "How can we do that?"

"I don't know, but that's what the e-mail from corporate says," replied Pam Cummings, director of human resources.

"So let me see if I get this straight," said Trisha. "We have to certify, in writing, that each of our employees has received, and understands, the information in our corporate employee handbook."

"That's right," said Pamela. "I've had my staff do some checking. With our current 430 employees, we would need a total of about 16 translations. You know, Russian, Portuguese, Korean, Polish, Croatian, and others. Plus Spanish, but corporate already has that translation, so I guess we really only need 15 more."

QUESTIONS

1. Do you believe it is the right of all employees to receive a copy of their work-related policies and procedures rules written in their native language?
2. What, if any, accommodation do you believe should be made for those employees who are not capable of reading any language?
3. What specific advice might you give Trisha and Pamela as they seek to comply with this directive from their corporate HR office?

Performance evaluations

Disciplinary records

Medical files

Insurance-related records and correspondence

Training records and documentation

Certificates, transcripts, diplomas

Military records

Governmental entity inquiry records

Lawsuit-related information

Other employee or employment-related correspondence

Hospitality managers who are responsible for designing effective recordkeeping systems also face a conflicting challenge. Stored records must be easily available for viewing, but they also must be kept secure and inaccessible to viewers who would compromise the confidentiality of the records. Fortunately, although the recordkeeping

Server: A central computer system that stores documents and information for input and retrieval.

CD: A **c**ompact **d**isc is a device capable of storing digital information. CD-ROM (read-only memory) means that once the data has been recorded onto the CD, it can only be read or played, but not revised.

DVD: Short for **d**igital **v**ersatile **d**isc or **d**igital **v**ideo **d**isc, the DVD is a type of optical disk technology similar to the CD-ROM. DVD-ROMs are commonly used as a medium for digital representation of movies and other multimedia presentations that combine sound with graphics. DVD-RAM (random access memory) discs can be recorded and erased repeatedly, but are only compatible with devices manufactured by the companies that support the DVD-RAM format.

requirements facing HR managers are greater than ever, the tools available to HR managers also provide greater options.
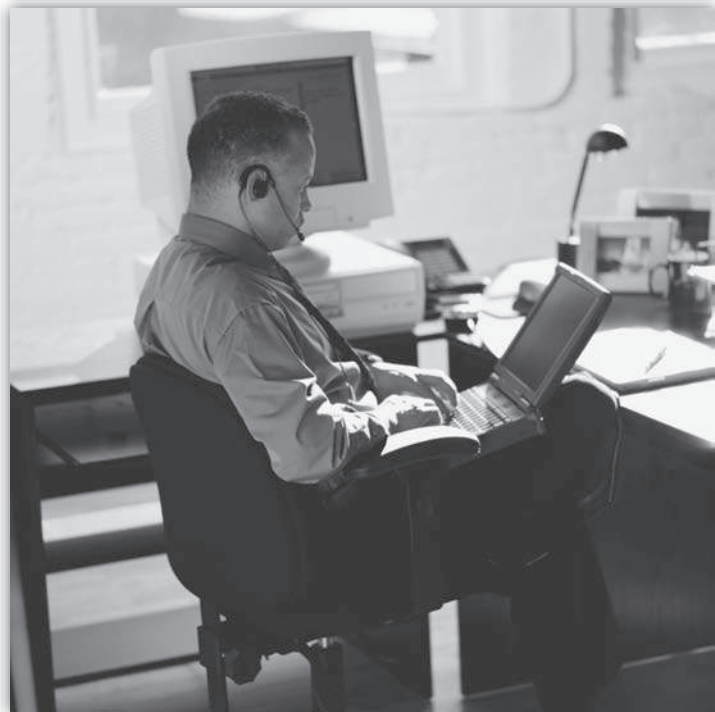
In addition to paper documents, HR managers can choose from a variety of advanced technology recordkeeping and retrieval systems. These systems often include components such as:

Security features. In many cases, HR managers develop information storage systems that allow for multiple levels of security to protect sensitive documents and files from unauthorized viewers. Each user has a security access level, and each document has a sensitivity level. Depending on the access level granted to the users, they will see only the lists of documents that are appropriate for their security access level.

Records-specific servers. A **server** can be readily designed to provide access to important HR-related data. Servers are often dedicated: they perform no other tasks besides their server tasks.

Document archival features. These components allow information or documents to be downloaded to a file server, tape, **CD**-ROM, **DVD**-ROM, or DVD-RAM.

High-speed image printing. This component of a recordkeeping and retrieval system is utilized to create hard copy of electronically stored information.

Continued advances in technology help HR professionals in the hospitality industry address their communication and documentation needs. *Courtesy PhotoDisc, Inc.*

Regardless of the sophistication level of the information storage and retrieval system they develop, HR managers must comply with the documentation and recordkeeping requirements imposed on them by their own companies as well as by governmental entities that mandate and monitor their compliance.

HR Policies and Procedures Documentation and Record Keeping

5. Recognize the most significant reasons why HR managers must develop, implement, and maintain effective HR recordkeeping systems.

Regardless of the level of technology they apply to the process, all HR managers must follow specific laws and regulations that address employment-related documentation and recordkeeping issues. In addition, businesses often develop some of their own in-house procedures for policy and procedures documentation and record keeping. As a result, HR managers must make decisions regarding their own record retention policies and procedures. For example, most HR managers agree that it is a good idea to keep a copy of all applications and résumés received when they advertise to fill an employment vacancy. The reasons for retaining these documents are many, but include the ability to monitor the quality of the available workforce, to help ensure that advertisements by the organization appeal to the broadest labor pool possible, and to help judge the workforce demand for the employer's position. Consider, however, the HR manager who must answer the following very specific question:

Are all individuals who submit résumés via the Internet considered applicants for recordkeeping and reporting purposes? If so, how shall these records be stored, and for how long? What if the candidates are clearly unqualified for the position?

Questions such as this may be difficult to address, but HR managers must still do so thoughtfully. Other examples of records-related questions that require policy and procedures decisions include those such as:

- How do regulations related to ADA, COBRA, FMLA, FLSA, and OSHA affect the length of time records should be kept? (*Note*: Specific record-related requirements of these agencies are addressed, where applicable, in the pertinent area of this text.)
- Should employees have access to their discipline records? Can they make copies? How long should a terminated employee's files be kept?
- Which personnel management-related documents should require actual (not electronic) signatures?

Regardless of how questions such as these are answered, HR managers must make significant decisions regarding the employment records that must be retained and the length of time to retain them. In some cases, employment-related legislation will dictate the full or partial answers to questions of this type.

Figure 3.7 lists selected recordkeeping requirements enforced by the U.S. government. Other requirements may be imposed at the state or local level.

HIRING AND EMPLOYMENT ACTIONS

Employee Record	FLSA, EPA	FMLA	ADEA	IRCA	Title VII, ADA	OSHA	Tax Laws
Employee name, address, Social Security number, gender, date of birth	3 years from last entry	3 years from last entry	3 years from last entry	3 years from hire or 1 year after termination	1 year after record created or personnel action taken	1 year after termination	4 years after tax due or paid
Position, job category	2 years after created		3 years from last entry				4 years after tax due or paid
Applications, résumés, recruitment notices, job orders, employment tests			1 year after related personnel action		1 year after record created or personnel action taken		
Date of hire					1 year after record created		
I-9 form				Later of 3 years after hire or 1 year after termination			
Work permits/age certificates for minors	While employed						
Dates and reasons for promotion, demotion, transfer, layoff, rehire, and termination			1 year after related personnel action		1 year after personnel action		

FIGURE 3.7: Selected Federal-Level Hiring and Employment Action: Recordkeeping Requirements

HIRING AND EMPLOYMENT ACTIONS

Employee Record	FLSA, EPA	FMLA	ADEA	IRCA	Title VII, ADA	OSHA	Tax Laws
Performance evaluations	2 years after created				1 year after record created or personnel action taken		
Training opportunities, agreements	Duration of training		1 year after related personnel action		1 year after personnel action		1 year after termination

Key Terms

FLSA, EPA	Fair Labor Standards Act, Equal Pay Act
FMLA	Family & Medical Leave Act
ADEA	Age Discrimination in Employment Act
IRCA	Immigration Reform & Control Act
Title IIV, ADA	Civil Rights Act, Americans with Disabilities Act
OSHA	Occupational Safety & Health Act

FIGURE 3.7: (*Continued*)

To further illustrate the practical importance of proper documentation and record keeping, consider the case of Tonya Walker, the director of food services at a large corporate dining facility. The facility is operated under contract by a nationally recognized foodservice management company that has employed Tonya for the past 15 years. Her operation serves more than 1,000 persons per day. Approximately 200 of her diners are salaried managers who eat in the executive dining room, while 800 are hourly workers who eat in a separate, larger dining area.

Tonya is an excellent manager, so she was surprised when Becka Larsen, the company's vice president of human resources, arrived at her operation to announce that the company had received a letter from the EEOC stating that an ex-employee had charged Tonya's operation with discrimination and **constructive discharge**.

Essentially, explained Becka, the EEOC's letter was sent to officially notify Tonya's company of the charges initiated by the former employee. The letter also included an **RFI**, which was the reason for Becka coming to see Tonya.

When questioned, Tonya explained to Becka that the employee making the charges was a dining room attendant who had, in fact, complained once about the sexually oriented nature of comments made by a fellow worker. That same employee had also complained once about some comments made by one of the diners in the executive dining room.

Tonya also explained that she, as the facility manager, had personally addressed both situations and, to further assist the employee, she had reassigned her from the executive dining room to the regular employees' dining area. Tonya finished by stating that, two or three weeks after the second complaint was addressed, the employee resigned because she had accepted a higher-paying job across town. Although this occurred more than five months ago, as Tonya now recalled the situation, no mention was made of any unhappiness at the time the employee resigned.

Cases such as this one are most often very complex. However, it should be apparent from the few details presented that, if Tonya's employer is to successfully defend itself and, if Tonya is to continue to be perceived as an effective manager, Tonya's HR policies, procedures, and documentation systems should conclusively show that:

1. An effective sexual harassment policy was clearly stated in the employee manual that Tonya issued to each employee when hired.
2. The employee making the charges in this case was given a copy of the manual as well as the opportunity to have it explained by management if any part of it were unclear.
3. The existence or absence of other, similar charges filed by Tonya's current or former employees have been documented.
4. Tonya responded to this ex-employee's complaints in a timely manner.
5. Tonya (or members of her management team) properly followed the specific investigation procedures proscribed in the sexual harassment complaint portion of the employee manual.

Constructive discharge: An employee-initiated termination of employment brought about by conditions that make the employee's work situation so intolerable that a reasonable person would feel compelled to quit. Also known as constructive *wrongful* discharge.

RFI: An official EEOC Request for Information. An EEOC requirement that the accused party submit all requested copies of personnel policies, the accuser's personnel files, the personnel files of other individuals, and any other information deemed relevant by the EEOC.

6. The measures Tonya took in response to the allegations were not only proper, but they were also fully documented, with precise detail about items including time, date, actions taken, and persons involved.

7. Relevant information related to those individuals accused of harassment by the ex-employee was recorded and is now available for review.

8. Management's resolutions of the complaints were fully explained, in a timely manner, to the ex-employee.

9. No changes in the former employee's employment status, work assignment, or employment conditions occurred that could be used to support or justify the constructive discharge allegation.

10. Tonya clearly followed her own company's internally mandated policies and procedures, as well as all applicable federal and state laws, when responding to the former employee's harassment charges.

The absence of records such as those indicated in the list will not definitively mean that Tonya's employer cannot successfully defend itself against the ex-employee's charges. However, the ability of Tonya's employer to successfully mount a valid defense to the ex-employee's charges will be greatly reduced, as will be Tonya's ability to support her own managerial action (or inaction) if any of these records are unavailable.

While this is just one example of the importance of proper record keeping, it is critical to understand that a great number of similar examples could be shown. Experienced HR managers agree that determining exactly which

The employee-related record-keeping requirements imposed by local governmental entities vary based on a business's size and location. *Courtesy PhotoDisc, Inc.*

Human Resources MANAGEMENT ISSUES   (3.3)

"How many years back?", asked Josephine Cochsky, the manager of the Delta River Dinner Cruise Boat.

"Three years," answered Penny Cuthbert, Josephine's HR manager.

"Let me see if I understand," said Josephine. "We have to produce the actual time cards, for Anthony Graves, for the last three years. He hasn't even worked here for six months. Who's the letter from?"

"The State Board of Disability Appeals," said Penny, as she read the certified letter that had just been delivered. "I guess what happened," continued Penny, "is that Anthony got really hurt on his new job after he left here, and he is now applying for disability. The state wants us to confirm his wages during the two-year period he worked for us."

"Can't we just send them copies of his W-2 statements?" asked Josephine.

"I guess not," replied Penny. "According to the Board, state law requires we keep actual copies of our time cards or time sheets showing the specific days and hours worked for each of our employees for a period of five years. It's for tax purposes, but the Disability Board uses the same income database. I didn't know we were supposed to keep old time cards. We don't have them. I only keep them for a year. I think this could really be a problem!"

QUESTIONS

1. Do you feel it was Josephine's responsibility, or Penny's, to know the employee recordkeeping requirements that apply within their state?

2. If you operated the State Board of Disability, what penalties might you suggest for hospitality operators and others who maintain they do not know which employment-related laws apply to them and, therefore, do not comply with all laws that are applicable?

3. How can advances in technology help Josephine and Penny avoid the potential damage and fallout that could result from additional mistakes made in their operation's record keeping?

employment-related records to keep, and for how long, is one of their most essential tasks. Most hospitality managers would also agree that it is critical for large, multiunit operators to have well-documented employee-related policies and procedures in place, despite the enormity of the task. Even for very small hospitality operators, while the effort required to address the task may be lessened, in today's litigious society, its successful completion is no less critical.

HUMAN RESOURCES TERMS

The following terms were defined in this chapter:

HR policy(ies)	**Personal file**
HR procedures	**Employee handbook**
Garde-manger	**Employee manual**
Patissier	**Information storage**
Saucier	**Server**
Employee Assistance Program (EAP)	**CD**
	DVD
Hard copy	**Constructive discharge**

FOR YOUR CONSIDERATION

1. The debate about which theory of motivation is true has been a long-standing one. Review the various theories in Figure 3.3 of this chapter. Which theory most closely represents your own view of motivation? How do you think you came to hold your current view? Identify one event that helped shape the way you feel about this topic.
2. Employee Assistance Programs (EAPs) are increasing in popularity. Go to *www.compsych.com*. Select two programs that you, as a manager, believe employees would find to be important. Do you think these would be the same two EAPs that their employers would consider most important? Explain your answer.
3. Many managers are surprised to hear that they can be held personally responsible for damages resulting from HR-related events that happen in their workplace. What specific steps would you recommend individual hospitality managers take to minimize this liability?
4. HR recordkeeping activities must be well-planned, detailed, and undertaken consistently. What are some specific personality characteristics of individuals who would excel at these tasks? Do you think most hospitality managers have (or could acquire) these traits?

CASE STUDY: HUMAN RESOURCES MANAGEMENT IN ACTION

"This is a pain," said Sara. "And it doesn't make any sense."

"What doesn't make sense?" replied Dave Berger, the owner of the Golden Rose, the restaurant where Sara had begun working full time, splitting her duties between that of part-time accounting clerk and part-time HR assistant.

In her accounting role, Sara's job was to prepare the checks needed to pay the restaurant's bills, verify credit card receipts, and make cash deposits. In her role as HR assistant, her job was to total employee time cards and prepare the biweekly payroll, as well as to keep track of each employee's use of sick time, holiday, and vacation pay. Even though she was new, Sara was very good, very bright, and cared deeply about the restaurant and its employees. Because of that, Dave increasingly had come to value the talent she brought to her position, as well as the insightful opinions she was certainly not afraid to share.

"Full-time employees accrue two weeks of vacation per year, and part-time employees accrue about one week. Is that right?" asked Sara.

"That's right," said Dave. "I have always thought that part-timers who work regularly and who stay with the company should earn some vacation time also. It's in the manual."

"Right," said Sara. "It's right here. It says:

"A regular employee who works one-half time or more but less than full-time shall accrue vacation/annual leave prorated on the basis of their actual number of hours worked. An employee who is employed less than ten hours per week shall not be eligible to accrue vacation/annual leave."

"So, if I work 20 hours per week, I earn one week a year. And I use it or lose it. That is, employees are not allowed to carry vacation forward to the next year. Right?" asked Sara.

"That's right," said Dave. "I decided that would be our policy when I started the restaurant, because the idea is that an employee's vacation should be a time to relax and refresh. So it just makes sense to me that if we are going to give employees vacation time, they should take it every year."

"So, does the part-time person earn one week of 40 hours pay, or one week of 20 hours pay?" asked Sara.

"Well, they should be getting one of their regular weeks in my opinion. That is, if they only work 20 hours per week, they should only get paid for a 20-hour vacation week. If they average 30 hours, they should get a 30-hour paid vacation."

"That would make sense,", replied Sara, "but your old accounting clerk wasn't doing that. She was recording 3.07 hours for each full-timer per pay period worked and 1.54 hours for each part-time employee."

"3.07 hours and 1.54 hours? Why?" asked Dave.

"Well," replied Sara, "with 26 pay periods per year, and 10 days, or 80 hours vacation accrual, it works out to 3.07 hours per pay period. One week a year is half that—1.535 technically. But rounding to 1.54 is darn close."

"Sounds like she took a shortcut and treated all of the part-timers the same," replied Dave. "We should be able to fix that."

"You could, but that's the problem," said Sara. "You have 52 full-time employees and 38 part-timers. Not all part-timers work every week, and not all of them work 20 hours. You want them to accrue time based on the hours actually worked, but your current record keeping doesn't match the policy. Your current system treats all part-timers as if they worked the same amount of time. To calculate each employee's actual time each week would be insane. Even worse, if they work less than ten hours one week, but 20 the next, you have a whole different problem. That's probably why the old accounting clerk did it this way."

"Well," replied Dave, "let's just change the way we record it. Make it more accurate."

"Dave," said Sara, "it already will take me nearly two hours every pay period just to update the vacation records on our 90 employees. That's 52 hours, or more than a week per year, just to have me track employee vacation time the way you do it now. Tracking it even more accurately would likely double the time, not to mention the time it already takes to record the employee's sick days earned and used, and their paid holidays. There's got to be a more efficient way to do this!"

Dimension: Workforce Enhancement

Consider the vacation policy Dave has implemented at the Golden Rose.

1. How do you think the restaurant's policy affects each of the following HR functional areas:
   a. Staffing the operation
   b. Developing staff
   c. Motivating staff
   d. Maintaining staff
2. Why do you think paid vacations are so frequently used by many businesses in an effort to motivate employees?
3. The hospitality industry employs a large number of part-time workers. Most do not accrue paid vacation time. Why do you think the industry has been so reluctant to grant paid vacations to this large segment of its workforce?

Dimension: Record Keeping and Documentation

Consider the recordkeeping system put in place by the former HR assistant.

1. Would you change the recordkeeping system that has been used?
2. What alternatives could Sara suggest to Dave that would help the restaurant save time and money in maintaining these records?
3. What role could advanced technology play in helping solve this problem? (*Hint*: Google "Vacation records software: employees" and report your findings.)

Dimension: Policy Development

Assume you were considering the development of vacation policies and procedures for an operation of your own.

1. Draft a two-paragraph statement explaining your policy for use in your employee handbook.
2. Draft a two-paragraph statement that would also be used in the handbook explaining the policy and procedure employees would utilize when requesting the use of their paid vacation time.
3. Draft a procedures summary that details how your operation will document granting employee vacation time requests in a manner designed to minimize any charges of bias or unfairness by your employees.

INTERNET ACTIVITIES

1. One of the most difficult areas of employee policies and procedure management relates to the amount of time you must spend creating and maintaining employee records. Fortunately, there are resources to assist you in determining which records you must keep and for how long. One such resource is G-Neil. You can visit their Web site at *www.gneil.com.*
   Click on "Employee Records." Then consider the following:
   a. What available materials and products do you think would be applicable to the hospitality industry?
   b. What types of hospitality operations could use the materials available?
   c. How could a hospitality manager evaluate the cost effectiveness of materials such as these?
2. Some nonprofit and for-profit entities advertise that they can readily provide managers with off-the-shelf policies and procedure checklists, which will save time and money for the organizations using them. One such entity is the Alexander Hamilton Institute. According to its Web site (posted July 1, 2006), "the Alexander Hamilton Institute has been helping executives manage their companies and their careers since 1909. We currently publish newsletters, booklets, and loose-leaf manuals targeted to top management, Human Resource directors, personnel managers, front-line managers, and supervisors at small-to-medium sized firms."
   Go to their Web site at: *www.ahipubs.com.* Consider the following:
   a. What is your assessment of the quality of their HR-related resources?
   b. What concerns might you have about the use of their products or any externally generated products?
   c. This chapter presented an argument for employing a legal review of all significant HR policies and procedures. If you purchased a preprepared policy or procedure product from AHI, or another entity like it, would you still seek a legal review of the product prior to using it? Why? or Why not?

3. In the past, some managers felt their employees were not sophisticated enough, nor had the financial resources, to really challenge policies those employees felt were discriminatory or unfair. It is not true today. Web sites such as Workplace Fairness provide significant assistance to any employee with access to the Internet. Workplace Fairness is a nonprofit organization helping to preserve and promote employee rights. According to its posted information, Workplace Fairness "provides information about job rights and employment issues around the country and in all 50 states. It is for workers, employers, advocates and anyone else who wants to better understand, protect, and strengthen workers' rights." To visit the site, go to *www.workplacefairness.org*.

   a. Note that the National Employment Lawyers Association (NELA) sponsors the site. Why do you believe they would do so?

   b. What specific resources are available on this site? List at least three such resources.

   c. What are some specific work-related issues you feel would compel an employee to seek out the type of information found on a site such as this one? How can hospitality managers best address these issues?