

A verbal warning isn't worth the paper that it is written on

Category: Firing

One of the areas where owners and managers consistently fail is in putting things in writing to their employees, and in an increasingly litigious employment environment, this can be both damaging and costly.

One of the things that I have observed, and this is something that I write about extensively, is that small-business people have a hard time holding their employees accountable. Without supervisory training it is difficult to find a way to confront employees about their behavior, and when small-business managers do, they seldom put anything in writing.

It is hard enough to hold employees accountable in the first place, but putting it in writing once it has been done is an even bigger challenge for the culture that exists in most small businesses. In that culture, writing things down is not something that comes naturally, and the concept of putting something in the file of the employee seems to be alien to most small business owners.

The cost of failure in this area, however, can be extremely large. In so many small-business environments, marginal employees are given the benefit of the doubt and nothing negative is ever put in their employment file... if such a file even exists in the first place.

When a business downturn comes along, the first thought is to terminate nonperforming employees, and the next thing that happens is often that the record shows a history of pay increases and no negative comments about performance in writing. That is the recipe for a lawsuit, and if only verbal warnings are put in writing, this can be avoided.