

## Keeping the right information

As your business grows and develops, you will create new jobs and some employees will leave or retire. Plan for these changes in your workforce and you'll all adjust more easily.

An essential step is to keep up-to-date information on all your employees. These records can be kept on a simple card system or on a computer. Remember that these records are highly confidential – take care to keep them safe and secure. You must comply with the

provisions of the *Data Protection Act, 1998* (this also applies to any records held after interviewing candidates). (See page 122 for more information.)

Make sure that someone in your company is responsible for employee data. Then make sure staff know who

to inform about updating their personal information, such as marriage or change of address.

**Each employee's record should contain:**

### Personal details

- name
- address
- sex
- date of birth
- education and qualifications
- previous experience
- tax code
- National Insurance number
- emergency contact
- details of any job-related disability.

### Employment details

- date employment began
- date present job started
- job title

### Essential tip

If you use Microsoft Outlook, you could create a folder in Contacts to store employee records, or create a more customised database in Microsoft® Office Access® 2003.

- basic pay
- overtime.

### Absence details

- sickness
- lateness
- authorised
- unauthorised.

### Details of any:

- accidents
- disciplinary action
- training.

### When staff leave

It's a good idea to hold an 'exit interview', with a neutral person, not the person's line manager, particularly for staff who have held key positions in your business. This will help you identify any problems or concerns with your work processes or methods, or any problems with line managers. Employees who are leaving are more likely to be honest about their thoughts and feelings.

Your aim is to create a culture of 'good leavers' – people who are less likely to say negative things about your business and may, if you are lucky, even say positive things.

## Staff appraisals

Appraisals are a positive way of dealing with any negatives, celebrating achievements, and planning for the future.

### Personal Development Plans

Personal development plans (PDPs) offer a simple yet powerful way of linking the personal development of your employees with the development of your business. An excellent factsheet about PDPs is available as a free download from the **Learn Direct** website: [www.learnirect-business.co.uk/factsheets/](http://www.learnirect-business.co.uk/factsheets/) (Click on the 'Managing People link' then 'Personal Development Plans'.)

Employers are obliged to give some young people time off work on full pay to study. Visit [www.dfes.gov.uk/tfst](http://www.dfes.gov.uk/tfst) for more information.

Staff appraisals (often called 'performance reviews') are a formal way of:

- 1 reviewing the performance of your employees
- 2 setting objectives
- 3 identifying any training or development needs.

Appraisals should not only cover past progress and performance, but include a development path for the person. Although appraisals are not essential, they are a good idea once you have more than one or two people working for you.

You can hold an appraisal every six months. However, one annual appraisal, well planned and carefully carried out, is still valuable.

Appraisals also provide an opportunity to discuss poor work performance and/or poor attendance and ways to improve them, and to discuss the business and management style. Be clear about what you want to achieve in the appraisal and consider who is the best person to conduct the appraisal.

**BEST PRACTICE TIP:** Set a specific time for the appraisal and stick to it. Make time in your diary and set aside a specific place where you will not be interrupted.

### Pay and motivation

For many if not most of your staff, pay is a significant part of their motivation. If you're perceived to be paying below the odds, this will affect how employees perform. If you're known for paying well, or for paying bonuses on goals achieved, this can significantly affect recruitment, retention and the motivation of your employees.

- **Do you have annual pay reviews?**
- **Do you reward loyalty as well as innovation?**
- **If not, why not?**