PART TWO STRATEGY 154

your firm's pay system, immediate and open communication can help alleviate unfounded rumors, increase trust, and create a healthy work environment.

BENEFITS

For many potential design employees, the benefits package is as important as the wages. Benefits are any form of compensation that is not part of an employee's basic pay or is not tied directly to either the requirements of a job or performance in a position. Design firms should realize that benefits today are no longer one type of package that everyone in the firm receives. Although all benefits packages contain some benefits in common, today's benefits are highly customizable to meet employees' noncompensation needs.

With the rising costs of health insurance and the increasing trend toward investing in retirement plans beyond Social Security, benefit packages can make or break a prospective employee deal. HR benefits have become a time-consuming business element, not only because the design firm must choose which benefits to offer, but also because it must administer the details, reconcile employee desires, and meet the realities of the firm's financial position.

Exactly which benefits the firm offers and how much of the firm's payroll goes to pay for these benefits depends on the financial health of the firm and whether the benefits meet the firm's strategic business plan goals. As mandated by law, a benefits package consists of three basic elements: Social Security/Medicare, workers' compensation, and unemployment insurance. After these basics, employee benefits are voluntary. Popular offerings include health insurance, dental insurance, life insurance, time off, leaves of absence, sick days, 401(k) investment plans, profit sharing, stock options, tuition reimbursement, child-care assistance, elder-care assistance, and an increasing benefit of an in-house concierge, who can take care of things such as laundry/dry cleaning, car care, post office chores, etc.

The best way to keep design firm employees happy is to listen to their needs and adapt the firm's offered benefits to meet these needs. The firm should CHAPTER 8 HUMAN RESOURCES 155

conduct an orientation as to what benefits are offered and the processes involved. The orientation will allow the firm to educate new and existing employees. In addition, it will offer the firm insight into what works, what doesn't, and what changes may need to be made.

EMPLOYEE MANUALS

An employee manual keeps the design firm's basic policies and procedures well documented and accessible to all employees. The firm should be careful to separate "firm policies" from "job-specific procedures." If the firm makes the distinction in its employee manual between policies that apply to everyone in the company (general hours, payroll, vacation, etc.) and procedures that relate specifically to how people get their work done (CAD layering guidelines, etc.), it will create less confusion in the firm as a whole. The firm can also create this distinction if it creates procedure manuals for job-specific tasks.

Employee manuals should be simple, clear, and concise. It is important that the policies described are understood and accepted by all affected employees, for two reasons. First, if the employee manual communicates basic issues of being an employee at the firm without overly formal, bureaucratic wording or phrasing, it will go a long way toward building trust within your firm. Second, the employee manual is a legal document and can be used for the firm and against the firm in legal cases. The firm should make sure that an attorney reviews the manual before the firm publishes it. In addition, all employees who receive the hardcopy version should be required to sign a document acknowledging the receipt of the manual and that they understand the contents. This document should be kept in the employee's files. Even though the manual should be maintained in hardcopy form for this legal purpose of acknowledgment, the firm should also produce it in soft copy. The employee manual should be made available through the firm's intranet, or at the very least it should be easily accessible via the firm's computer network. This availability practice allows all employees to have easy access to firm policies at a moment's notice.