

SPECIAL REPORT: HR Files.....Everything but the Kitchen Sink

Too often our employee files turn into dumping grounds for every paper document ever generated for that employee. Once I even found someone's pulled teeth they used to verify their dentist appointment!!!

If you want to make your HR files useful for employment decisions and safe from legal scrutiny, I recommend the following approach to your HR filing.

1. Only keep information that's useful for pay and performance related decisions in your main HR file. Include documentation that provides a roadmap for where the employee has been, and that can be used for making and justifying future employment related decisions (i.e. promotions, discipline, terminations) that are based upon performance rather than discriminatory reasons. If you wouldn't want your employee's attorney to have it, then don't put it in there. Examples of what to include are:

- Employment application/resume
- New hire checklist
- Orientation checklist
- Employee personnel action change documentation (i.e. promotions, pay raises and reasons for them, etc)
- Performance evaluations
- Formal discipline documentation/performance improvement plans
- Signed policy/handbook acknowledgements
- Employee training documentation
- Quarterly/annual attendance records
- Termination checklist (for terminated employee files only)

2. File confidential information, or items not related to pay and performance, in a separate file, or series of separate files. Examples of what to be filed elsewhere are:

- I-9 forms and supporting documentation (this should have it's own, separate filing system)
- Employee benefit enrollment documentation
- Informal notes on performance related conversations
- Interview notes

3. Some employers use a two-file filing system – one for HR info and another for all other. Under this system, payroll information, i.e. W-4, pay increase documentation, etc., can be filed in the HR file. Some employers use a four-file filing system – one for HR, one for Payroll related information, one for Employee Benefits related information, and another for Confidential Miscellaneous information. Whether you use a two, four or some other filing system, the HR file should be in a separate location from the others, i.e. a different file drawer or cabinet.

These tips should not only make you proud to show off your HR files to any attorney, they should also clean out all the gunk that you'd otherwise have to sort through to make them a useful source of information.

Happy filing!!!!