



# Power from Your People

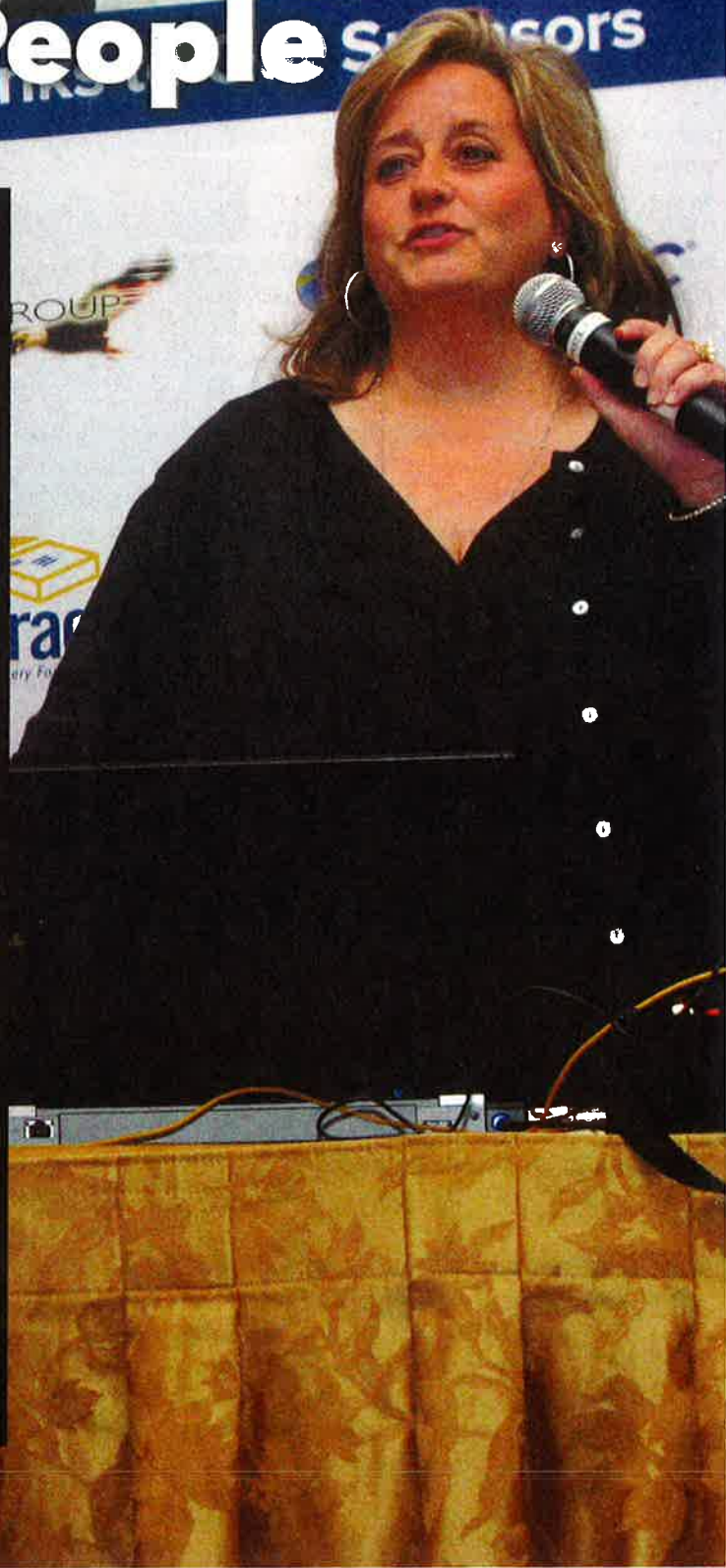
**C**ouriers that want to grow and thrive need to focus on their most valuable resource: their people. That was the message at this fast-paced and information packed session run by Priority Dispatch's Julie Thomas and Guy Cook.

"Companies that choose to be great need to get and keep the right people, whether they are employees or ICs," said Thomas. She talked about the need to create and maintain organizations that can remain stable in an ever-changing world. "We know that 'shift happens'," she said. "And our businesses have to adapt to changing demographics, technology and information." She pointed to three books with valuable advice on how to remain stable in the midst of chaos: *Corporate Life Cycles* by Dr. Ichak Adizes; *The E Myth* by Michael E. Gerber and *Great by Choice* by Jim Collins and Morten T. Hansen.

Each of these business books covers the steps to build and maintain a successful company. What all have in common is an emphasis on people as the primary asset. "You maximize your company's potential by developing and training your people; improving and standardizing your processes and doing what you must to protect yourself against employee-related problems," she said.

It starts with hiring the right people. That means having a disciplined approach to how you advertise for new people; recruit them; interview them; select them; bring them on board and compensate them.

Then, it's about how you manage them. How do you train them? How do you evaluate their performance? And how do you promote and discipline them? "Put strict processes in place for HR functions to protect your organization," cautioned Guy Cook, Dispatch's Compliance Officer. He advised doing an HR assessment of your company that looks at hiring practices and the steps you take to prevent discrimination, sexual harassment, work place violence and mismanagement of people with disabilities.



He also advocated a thorough assessment of how your company uses performance evaluations and their role in terminations. "People have as much info as you do about suing companies, so make sure you protect yourself," he said. "Use this HR Assessment to find potential problems and help you maintain vigilance to avoid law suits." To head off charges of sexual harassment, he advises having a written policy on what is unacceptable, distributing it twice a year and having people acknowledge in writing that they have received it. "To support this, we also advise doing training on these issues for both employees and ICs," he suggested.

Be on guard for signs that you or your people are mismanaging people with disabilities, he cautioned. "Lawsuits that involve these issues last a long time and cost a lot of money," he said. "You need to know how to approach someone with a disability; what to say to them and how to treat them to assure fairness."

Performance evaluations and terminations are another area that requires vigilant adherence to set procedures. "If you have to terminate without proof, you'll still need to document their performance," he said.

He summed up this part of the presentation this way: "I'd rather run a clean shop than be in court all the time. You want to prevent lawsuits from the beginning, so you don't find yourself in the position to defend."

The conversation shifted to personnel issues involving independent contractors. "We want to do all we can to protect and define that relationship as one with an independent contractor," said Cook. "That starts with the contract."

He advised requiring that all ICs sign a separate contract every year. "This is critical because you don't want them to start seeing themselves as employees," he pointed out. "The longer they work with you, the less likely they are to consider themselves ICs and the more they look like an employee. When the relationship ends, for whatever reason, they need to terminate the contract. You want to avoid a driver suddenly deciding he's an employee because he's hurt or the contract is terminated."

Just because someone is an IC, that does not mean they can ignore the company's policies on workplace conduct. "We require our independent drivers to acknowledge our policies on issues such as discrimination and workplace violence," says Cook.

Aside from the formal processes, Cook reminded participants to use consistent language in their conversations with ICs. "You have to get into the pattern of saying the right things," he advised. "For example, we 'pay driver commissions', not salaries. And when we will no longer want to use them, we don't say they are being 'fired', we say we are terminating the contract.' These kinds of phrases continue to reinforce their independent contractor status. This is all about protecting yourself in the case of a lawsuit. If they are on the witness

stand and they testify to something someone said to them, it can be just as damaging as them having written documents that support their point of view."

He also advises doing annual IC Audits to make sure drivers are in compliance with all necessary regulations. "In our company, we look at these contractors every year to make sure their MVR/DRV licenses are up-to-date to prevent any charges of negligence," he says. "We also look at their BWC certificates to see where our liability ends and, of course, we want to see their proof of insurance."

Julie pointed out that this kind of vigilant oversight of both employees and ICs is more than just protecting your company legally. It can also be a competitive business advantage. "We've found our processes and procedures actually help us respond to RFPs. For example, when we moved into pharma our adherence to strict procedures really gave us a competitive edge," she said. "When we're competing for an RFP, our stringent policies allow us to let them know that we've done all we can to competently handle bio-hazards. There are multiple agencies that must be satisfied that you're competent in this area. They include the DOT, OSHA and HIPAA. All have their own standards that you must satisfy if you want to compete in this arena. Just to transport blood, you need to show that your drivers meet OSHA's Blood Borne Pathogen policies. To do that, you assure them that you have

adequately informed your drivers that they are handling infectious materials. You need to have an Exposure Control Plan in place that identifies exposure tasks and describes safe work practices. You'll also need to have a handle on how you will deal with inadvertent exposures. If a driver gets infected by product, you run into issues involving confidentiality. You'll also need to document their route of exposure and be sure they they've had their hepatitis B vaccination. I believe all of us doing pharma should offer to provide these to our drivers. It's the right thing to do."

Thomas conclude the session with this valuable piece of advice, "In order to grow your organization you have to have processes and procedures in place that standardize how you deal with all of those who work with and for you. There needs to be a set recipe for everything you do. These standardized procedures help you can duplicate success time after time."

To learn more about the Personnel panel at the Last Mile Delivery Forum go to the Courier College section of the MCAA website and look under "Courier Document Directory". You'll find the PowerPoint presentation from this session. We'd also like to hear your thoughts on this rapidly expanding vertical. Share on the MCAA Facebook page: [www.facebook.com/themcaa](http://www.facebook.com/themcaa).

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### **"Your most important asset goes down in the elevator each night"**

DAVID OGILVY, AKA "THE KING OF MADISON AVENUE"

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