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Other resources in step 7a:

- Staff agreement templates

Staff work agreements

No business can operate efficiently unless there is a very clear understanding between the workshop owner and the workers about responsibilities, duties, expectations and attitudes.

Far too many workshops operate on a verbal level, a quick handshake and a beer at the end of the day. All very nice and chummy, but potentially a disaster when things turn sour.

Unless the agreement between owner and worker is written down, any dispute about responsibilities or expectations becomes a guessing game, and ultimately, a blame game which will have a negative impact on the business.

A staff work agreement is a two-way agreement which clearly spells out the responsibilities of both the workshop owner and the employee.

While it is common that new staff are always told clearly about their pay level and pay cycle, working hours, conditions and tool requirements, rarely are staff clear on what the owner or manager of the workshop requires from them in terms of their work responsibilities.

The workshop owner must clearly and unambiguously set out the expectations of what is essentially a contract between employer and employee from day one. This is not just a matter of telling the employee what is expected of them, but is necessary to head off confusion or misunderstandings which can always develop between employer and employee. Without clearly written work agreements, you are only developing a culture where the worker just needs to turn up and start working on whatever happens to be in the workshop – nothing more, nothing less.

Staff work agreements start earning their keep right at the beginning, when staff are recruited.

It could be said that a very clear understanding of expectations, on both sides, is of equal importance as setting the pay rates.

If employees are vague about the expectations of the employer, or vice versa, a climate will inevitably be generated where the workshop will struggle to achieve its full potential, both in morale and profitability.

Good technicians who have high expectations of salary, need to have a clear understanding of the work output which is expected of them, and the responsibilities they are expected to assume. Such understandings are essential if the employment is to be viable and sustainable.

It should come as no surprise that the best organised and most profitable workshops will most certainly have work agreements in place which leave no room for ambiguity about expectations and responsibilities.

An agreement, by definition, means an arrangement between parties regarding a course of action. It is a covenant, a law and at its simplest, a harmony of opinion.

All of this implies that there must be two sides to the agreement – one expressing what the employee will receive and the other outlining what the employer will receive.

The employee should expect to see his or her work agreement covering things like his wages, working hours, entitlements, annual leave and uniform and tool requirements.

The employer should expect to see output expectations and targets, chargeable hours, and key duties and responsibilities. These of course will vary greatly from workshop to workshop and between workshop and employee depending on their level of experience and knowledge.

Work agreements can and should be used for all staff, including staff who may have been with you for some time. Bringing these types of agreements into play will strengthen and improve the relationship between the workshop and the staff.

What we are talking about here is not necessarily a legal document that covers all entitlements, but a written agreement which explains what the two parties, the worker and the workshop, expect from each other.

The examples provided are guides only and you can include or remove whatever you want. There may be a range of other aspects of the relationship you want with an employee which could be included in these agreements.

There are four examples provided with this strategy, which cover a general technician, a head technician or foreman, a service adviser or manager and a bookkeeper/office assistance.

So here's the challenge. In the next four weeks, set yourself a target to develop staff work agreements for all your key staff and watch how your productivity and morale will improve, along with your bottom line.

The place to start is www.tatbiz.net.au/capricorn

Just go for it!