

How To Use This Manual

Whether you have a staff of 50, 500, or 5,000, every bank is concerned with basic human resources-related issues. Although small, medium-sized, and large banks experience basically the same day-to-day human resources needs, size can dictate how formal the human resource function is. In *Banker's Handbook of Human Resources*, we address all the basic human resources issues and identify when larger banks will require more specialized and larger human resources departments, and when smaller banks may want to make do with a personnel generalist.

When a bank first opens, it does not need a separate human resources function. The duties that eventually are performed by human resources specialists are handled by selected staff who continue performing their own duties as well. It is not until a bank has grown to the point at which managers have more to do than they can comfortably juggle, that certain functions are designated as human resources functions and reassigned.

Establishing a human resources function because managers simply have too much to do, may work for a while. A more logical approach, however, is to think in terms of personnel staff ratios. For example, a Bureau of National Affairs survey of non-manufacturing environments suggested that for every 100 employees, there should be 1.3 human resources staff. Statistics like this should be used as a guide; and of course there are many other factors to consider. The purpose of even discussing such statistics, though, is to reinforce the importance of the human resources function. It is usually in the best interests of employees and the bank as a whole if the human resources function is viewed as an integral part of the organization, and the job should be filled by persons with the necessary expertise.

EMERGENCY PREPAREDNESS

Contingency planning has been a recognized part of financial institution management for many years because one, the five federal regulating agencies require financial institutions under their supervision to have business continuity plans and two, financial institutions have been proactive in emergency response planning simply because of the nature of the financial services business.

Nothing, however, prepared the business community or the nation for the type of disaster that struck on September 11, 2001. The total devastation and staggering loss of life from the terrorist attacks prompted most companies to question whether they were really prepared to respond quickly and appropriately to disasters of great magnitude.

The time to ask those questions is before an event occurs. What has become more certain than ever since September 11 is that the human impact of emergencies is a critical concern in disaster planning and that an emergency response plan that does not thoroughly address the whole range of human resources concerns — from training to safe evacuation and grief counseling — is incomplete. As a human resources professional in a financial institution, you deserve and should demand a seat at the table when the institution's emergency preparedness and business recovery plan is being devised or upgraded.

HOW THIS HANDBOOK IS ORGANIZED

The first volume of the Handbook, *The Human Resources Function*, is divided into eleven parts:

The Human Resources Function discusses the human resources function and its responsibilities in small and mid-sized banks. It covers the HR function in relation to other aspects of the financial institution.

Employment Process and Job Descriptions discusses issues such as interviewing, telecommuting, and approaches to downsizing. There are forms and job descriptions to help you through the employment process.

Discrimination and Immigration describes types of discrimination, employer defenses, and immigration and employment issues.

Compensation discusses developing a salary structure, administering salaries, appraising job performance, incentives and executive compensation, and planning, budgeting, and controlling salaries. Forms to help you set up processes to deal with these issues are provided in this section and on diskette, so that you can tailor them for use with your organization.

Benefits provides an overview of employee benefits and then covers all the benefit areas: ERISA, pension plans, 401(k) plans, medical insurance and controlling those costs, dental care, prescription drugs, vision care, group life insurance, survivor income benefits, sick leave/disability programs, and employee services and activities.

Training focuses on analyzing training needs and setting goals, types of training and techniques, evaluating training effectiveness, selecting trainers, costs, and tuition aid.

Developing a Personnel Policy Manual provides a model policy manual that you can modify for use in your institution. The policy manual is also provided on a diskette so you can easily tailor it to your organization.

Recordkeeping and Information Management covers which federal laws require record maintenance and retention, which forms and reports are required by law to be submitted, posting requirements, and selecting and implementing human resources information systems.

Privacy Rights focuses on the complex legal issues regarding privacy rights in the workplace in the age of electronic communications.

Federal Law provides an overview of federal laws that relate to the human resources function.

Appendix. Glossary of General Definitions and Abbreviations.

The second volume of the Handbook, *Response and Recovery Planning*, covers the following topics:

The HR Professional's Role in Emergency Management clarifies the role of the Human Resources professional in emergency planning and management, defines "emergency," and previews the types of emergencies and collateral issues for which you should prepare.

Before an Emergency

Developing the Emergency Preparedness and Recovery Plan addresses the planning measures that Human Resources managers in financial institutions should take before a crisis occurs, as part of the institution's overall emergency preparedness and incident-response planning activities.

Specific Incident Planning Measures presents Human Resources planning information on specific types of emergencies. The emergency-specific subsections are presented in alphabetical order to assist you in quickly locating material that pertains to a particular type of incident.

Other Emergency Planning Issues addresses other emergency planning issues that are in the domain of a Human Resources professional in a financial institution. These HR-related issues arise in connection with all types of emergencies.

During and After an Emergency

Ensuring Employee Safety and Continuing Mission-Critical HR Functions addresses some specific actions that Human Resources professionals may take during and after an emergency to ensure employee safety and preserve mission-critical human resources records and functions.

SUPPLEMENTAL CD

The supplemental CD for *Banker's Handbook of Human Resources* provides an easy-to-search format of the printed book. It also includes sample documents that can easily be tailored to specific needs of individual banks, no matter what their size is.