

CheckMate

The *Employer Advantage*

“The Easy Way to Run Your Business...Better!”

Protecting Your Interests: Non-Compete and Non-Disclosure Agreements

When Johannes Gutenberg began work on his printing press in the 15th century, no one had come up with the idea of a non-compete or non-disclosure agreement yet. Too bad for Gutenberg.

His invention attracted the attention of an unethical businessman named Fust who first sued Gutenberg and seized all of the inventor's printing equipment, then hired one of Gutenberg's former apprentices to run the "new" printing business. Gutenberg could only stand back and watch others reap incredible profits.

A little forethought might prevent your business from suffering a similar fate. **Employment contracts which prevent former employees from launching a competing businesses, or from sharing proprietary secrets with their new employers are fast-becoming an employment standard.**

The difficulty with these types of agreements is that if they are not written properly, they are unenforceable in court. CheckMate is pleased to offer special training to help you make the most of your employment contracts.

Non-compete agreements

A properly written non-compete agreement

will contain language which

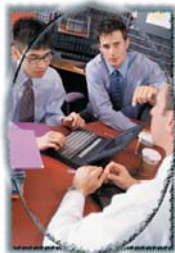
- 1) limits the geographical area to which the agreement applies
- 2) limits the duration of time the agreement will be in effect
- 3) details the scope of the activity which is prohibited.

Non-disclosure agreements

A non-disclosure agreement does not limit an employee from working for a competitor. Rather, it prevents him or her from sharing secret, confidential or proprietary information that was obtained while working for the former employer.

In order to prove your case in court, however, you'll need to be able to demonstrate that the employee disclosed information he knew was proprietary. Was access to the information restricted in some way? Did the employer require the employee to sign a confidentiality agreement or make use of a special formula or code to "hide the identity" of the confidential information?

We are interested in helping you protect your business interests. **Please contact a member of our human resources team for more information about drafting and enforcing non-compete and non-disclosure agreements.**



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Leadership Skills...

The Must Have List

Can you learn superior leadership skills or do you have to be born with them? We may never know which is true, but knowing some of the skills that good leaders commonly exhibit may help you make improvements in your own leadership skills.

Criticize in private, compliment in public:
Public criticism alienates and embarrasses everyone.

Leadership is not magnetic personality—that can just as well be a glib tongue. It is not "making friends and influencing people"—that is flattery. Leadership is lifting a person's vision to higher sights, the raising of a person's performance to a higher standard, the building of a personality beyond its normal limitations.

-Peter F. Drucker



Which of the six following skills could you brush up on?

Admit mistakes:

Free your employees to take risks by learning to admit that mistakes are part of the learning process. Employees who never hear you admit your goofs will be quick to hide their own.

Do some work "in the trenches":

A leader's visibility is important to her success. You need to be accessible to your people. Visit others' offices. Ask questions. Consider helping with the "dirty work" once in a while as a means of better understanding "where your employees are coming from."

Be visionary:

Always have a clear set of goals, and reward employees who meet and exceed them. Use the competitive drive in your employees as a tool to get them to succeed and exceed their own expectations.

Emphasize others' contributions:

Give credit where credit is due, and always make an effort to let others feel important.

Do unto others:

This is the simplest rule to understand and the most difficult to follow. If you want to develop a loyal following, treat others the way you would like to be treated if you were in their shoes.

We offer periodic management training seminars. Call for a schedule. As a manager, you undoubtedly have things yet to learn. More training, more education, and lifelong learning experiences for both managers and employees are part of CheckMate's recipe for success. Your company may find the same ideas would work for you.

Make the Workplace a Drug-Free Zone

What advantages we offer your company

Small Businesses are the newest draftees in the U.S. Government's War Against Drugs, as new legislation regarding drugs in the workplace has recently become federal law. Sponsored by Rep. Robert Portman (R-Ohio), the Drug-Free Workplace Act is intended to make drug-free workplaces a reality.

While up to 98% of Fortune 200 companies have drug-free workplace policies, only 3% of smaller businesses do. The goal of Portman's legislation is to close this gap.

Portman's theory is that small businesses recognize the need for drug-free workplace programs, but they lack the resources to implement them.

Estimates are that increased workers' compensation premiums, the cost of replacing stolen inventory, and lost productivity (all recognized hazards of worksite drug abuse) result in the loss of \$200 billion annually. Portman hopes to reduce those losses.

Just as the government provides assistance in writing business plans and providing loans for small businesses, it is in a logical position to offer assistance to small businesses that want to institute drug-free policies.

We can put you in touch with agencies that are prepared to help you as a result of this legislation, and **we are able to offer additional assistance to you in your efforts to make your workplace a "drug-free zone."**

Protecting your profits and your employees against difficulties caused when one of your workers deals with a substance abuse problem is a hefty responsibility. It is one of many concerns we are prepared to help you deal with.

Contact a representative in our Human Resources Department for more information about what advantages we can offer your company in the war against drugs.



Great Benefits Improve Employee Morale

Like the ancient practice of tenant farming, acceptable business practices today allow a "few" to acquire wealth at the expense of the "poor" who perform most of the actual labor.



Mahatma Gandhi called this "wealth without work" and termed it one of seven major "blunders" committed in modern society. "...Wherever someone owns the time, energy, and labor of another person and profits from that person's efforts, a form of tenant farming exists," assert a team of writers associated with the Marriott Institute of Management at Brigham Young University.

They theorize that this is part of what is creating our top-heavy economy. Workers shoulder larger burdens of consumer debt in order to make up the difference between what they have and what they want.

"A fair day's pay for a fair day's work suggests not only that people should stop their frivolous credit purchasing...but also that profits, the fruit of many employees' work, should be more equally distributed among those who do the work and not so exclusively in the hands of those who control the capital."

One way you can even out the perceived inequality between workers and owners is to offer your employees a second-to-none benefits package.

We can help you with this. In addition, we can offer tips about profit sharing programs, bonuses, and other employee reward systems designed to improve employee morale and loyalty.



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Visit our website! www.checkmateaz.com

Employee Theft: Some advice for prevention

An annual survey conducted by Pinkertons indicates that Employee Theft has replaced Workplace Violence as the "most pressing workforce concern." (See "Worst Corporate Heartburn: Employee Theft" HR Wire: 1-3).

Thankfully, this is one burden you can share with your PEO. **When employers exercise caution in the hiring process, potential thieves can be weeded out before they are ever hired.** Two options are pre-employment background checks and personal integrity tests.

A pre-employment background check is vital in the workplace today, since **employers are commonly held liable for crimes committed by their employees unless they are able to prove that the employee was carefully screened as an applicant.** According to Investigative Services Corporation (ISC), "courts have held employers responsible for a wide range of conduct, including fraud and forgery, theft, assault and wrongful death."

Personal integrity tests are another option. Employees are asked as part of the application process whether they are willing to take a personal integrity test, and the test simply measures an employee's ethical standards. Most of these tests have questions built in which weed out employees who give false answers. **Our human resources department can recommend other safety measures or sources you can look to for help.**

You want to be able to trust your employees, and most employees value being trusted. Your efforts to eliminate employees with a tendency toward theft **before they are hired, and your willingness to eliminate "temptations" and address problems in a timely manner will go a long way toward keeping your profit from walking out the door at 5:00.**

To prevent employee theft, we recommend some of the following steps:

- ◆ Require backup documentation of all expenses (receipts)
- ◆ Keep office supplies in a locked cupboard, and require a signature when supplies are removed
- ◆ Spot check deliveries to insure that goods received and invoice descriptions match
- ◆ Bond All Employees who have access to money
- ◆ Require employees with access to cash/receivables to take vacation time (this helps to expose cover-ups)
- ◆ Take the time to go over accounts payable and look at where your money is going
- ◆ Address problems when you first suspect them
- ◆ Do not allow company books to leave the facility
- ◆ Require passwords and update them frequently

- Bruce H. Henderson, Tanner & Guin, L.L.C.



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