

## Don't Let Personnel Files Wear You Down

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When you hear an employee come into the office and say, "I want to see my personnel file," does your heart sink a little? Are your personnel files in good order or are they a task you've prioritized based upon the glamour and sheer joy you get doing filing work?

Open the average personnel file and you will find one of two things –way too much paper, often not of the right kind, or not nearly enough. Both alternatives are as problematic as they are prevalent.

Files are supposed to contain helpful resources. If these helpful resources are not present or if materials that shouldn't be in the files are in them, there can be both negative legal and employee relations ramifications. If important documents are missing from a file, it will not provide needed information and documentary backup. Files with too much paper are harder to use, harder to maintain, and, most importantly, and may contain information that unnecessarily invites unwanted regulatory or employee attention.

### What Should Go In A Personnel File?

Examples of documents that could be placed in a personnel file include the employee's:

- employment application and resume,
- benefit enrollment forms,
- wage deduction authorizations and forms (for taxes, benefit and other deductions),
- letters of commendation,
- position transfer and promotion records,
- wage actions,
- disciplinary actions,
- acknowledgement of human resources and other policy receipt,

- safety and other training records,
- attendance records (excluding records containing medical information),
- performance appraisals, and
- contact information.

It is often best to maintain the original copy of these documents in file. Original signatures are often more useful for legal purposes and original documents make neater copies than do copies of copies of copies.

The best files separate current information (current benefit enrollment forms, etc.) from records that are no longer used as a basis of an employment decisions (i.e. copies of old W-4s, superseded benefit plan enrollment documents, etc.).

### **What Shouldn't Go Into A Personnel File?**

Things found in a personnel file better left out (maintained separately) include:

- Anything that the employee has not seen or doesn't know is in the file. An employee has a legal right to view their personnel file in Illinois. If an employee "discovers" negative information in their file, they frequently go from "just curious" to distrustful. In-process notes on performance trends, for example, might be better kept out of the employee file until the employee has had an opportunity to be apprised of this information and provide their input.
- Medical information about the employee, members of their families and related people. The section of health insurance applications which asks the employee for a medical history and any information from doctors or related medical personnel containing medical information should be kept in a separate, **locked** file. These files should only be viewed by personnel with the authorization to access them for some valid purpose. Access to a person's medical information should be tightly secured both because of applicable law (the Health Insurance Portability and Protection Act, and others) and out of a fundamental appreciation for the right of your employees to privacy.
- The Immigration and Naturalization Service I-9 form. Many organizations maintain the INS I-9 form in their personnel files. While this is not illegal, if kept in the personnel file, I-9s can provide regulatory agencies unnecessary access to other personnel file records. If your I-9s are

kept in employee files, the auditing agency may be exposed to information that, while it has no direct bearing on the audit in process, may spark a spin-off investigation by that or another agency.

- Investigation files for harassment and similar issues.  
While you may keep discipline in the employee's file, it is advisable to segregate investigatory files for several reasons. The most important is that these files often contain a considerable amount of highly confidential and, sometimes, erroneous information on the employee and others in the work place. Keeping these records in a separate file helps ensure that unintended disclosure of this information doesn't occur.
- References on the employee given by previous employers.  
While, an unsuccessful applicant for employment may have access to these records under some circumstances, many employers share openly with you only under the belief that you will safeguard their input. A negative comment made by an ex-employee that hasn't impacted the hiring decision can, if found out by the employee, lead to both a confrontation with the reference giver and a lessening of your ability to get honest input in future reference attempts.

Please don't be misled - maintaining information in other files doesn't automatically thwart access to those records by curious employees and compliance agencies. In many cases, the employee or agency can simply or through legal means get access to many of your records. The goal is to be thoughtful about both what you write down about an employee and how that information is maintained.

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