

Addressing the Slippery Slope of Employee Dishonesty



4 steps for addressing simple examples of employee dishonesty in the workplace

Trust and integrity are vital in an employee-employer relationship. If an employer cannot trust an employee it is difficult to continue the working relationship.

Courts in Canada have ruled that an employer can fire an employee with just cause for misconduct which includes dishonesty and lying. However, there are limitations as to just what constitutes enough dishonesty to justify firing an employee.

When Can You Terminate An Employee for Dishonesty?

An employer will usually need to demonstrate that the dishonesty:

- Was not a one time occurrence but indicative of a pattern of misconduct;
- Has done serious harm (including the case of a single lie) to the organization;
- Is tied directly to the employee's job functions (e.g. an accountant falsifying accounting statements); and,
- Was compounded when an employee falsely denied the misconduct.

Ignoring Dishonest Behaviour Can Be A Slippery Slope

When you have evidence of theft, harassment, willful ignorance of safety procedures and blatant dishonesty, you can take steps to discipline or even fire an employee who engages in such behavior. But what happens when an employee is dishonest about small and seemingly inconsequential things which, although against company policy, may not compel you to take disciplinary action?

Is it dishonest for an employee to take an extra 15 minutes for lunch on a rare occasion? What about once per week? Is it dishonest for an employee to print a personal receipt at work? What about printing an entire book? Generally an employer would trust an employee who takes that extra 15 minutes to 'make up the time' before or after work, and usually this is the case. However, if all employees become accustomed to printing personal documents at work or taking unreasonably long lunch breaks, it can become difficult to enforce a consistent disciplinary policy.

Some relatively minor acts of dishonesty can pale in comparison to more serious offences. An employee who fails to complete a task or record accurate information and then denies, lies or blames a colleague for the mistake may put the company or his colleague in serious jeopardy. These actions may be indicative of a pattern of dishonesty. However, deliberate dishonesty is difficult to prove and is sometimes the result of a miscommunication. As a result, many smaller acts of dishonesty are allowed to fall between the cracks.

Many organizations cannot invest time and energy into disciplinary procedures for minor infractions. Unfortunately, patterns of behavior become daily routines and blurred lines are formed between acceptable and dishonest behavior. Still, enforcement of company policy does not have to create an uncomfortable work environment. Instead, create an atmosphere of high expectations and consistency in upholding company values.

Sometimes small acts of dishonesty are incidental, accidental, or deliberate. It can be very difficult to distinguish between each type, so have a policy for identifying and resolving these situations.

Small Steps For Addressing Simple Examples of Employee Dishonesty

When minor infractions occur, many organizations fail to take proper steps to document and investigate them. The sooner you identify and address a concern, the more likely you are to minimize a future reoccurrence. Advise new employees that taking an extra 15 minutes for lunch occasionally acceptable, as long as it is noted and accounted in a timesheet. Also encourage employees to assume responsibility for their mistakes. This lets everyone know that acts of dishonesty do not belong in the workplace.

4 Steps For Addressing Dishonesty for Minor and Non-Fireable Offenses

1. ***Pay attention.*** It is tempting in a busy workplace to overlook minor infractions. An employee telling a half-truth to avoid taking responsibility for something minor can appear too insignificant to take notice, especially if you do not know the details of the situation. However, paying attention can stem the tide of bigger problems in the future. Employee morale and organizational reputation can be damaged one seemingly minor problem at a time. Let employees know that you are always seeking and expecting integrity.

2. ***Follow-up with clarifying questions.*** When you are made aware of a situation that is unclear, follow-up with a few informal questions to clarify. Keep the questions and conversation simple by asking:

- Can you tell me what happened in this situation?
- Who was present and what was said?
- Do you think there could have been any misunderstanding, miscommunications or mistakes made in the situation?
- Ask one or two follow-up questions that pinpoint details to check for consistency.

Repeat back what is said to you and ask for confirmation about what you hear. Do not pass judgment or draw conclusions until you have gathered all the information you need. Provide the employee an opportunity to clarify or explain what happened. If the situation is minor, make a note of the information for future reference.

If you uncover evidence of a major concern then you may choose to investigate further and follow your disciplinary procedures.

3. Offer information about company expectations. If you uncover a suspected lie, take steps to verbally inform the employee of relevant policies. This need not become an official warning but an opportunity to clarify your expectations.

Provide the employee with context as to why there was a potential concern or need for clarification. Explain the reasons why employees cannot take extra long lunches or the cost to the organization if everyone uses office supplies for personal use.

If you suspect an employee was intentionally dishonest, discuss the value of professional integrity in the workplace. Explain to the employee that it is better to admit a mistake and have an opportunity to learn from it than attempt to hide it. If you have a workplace culture that values employees learning from their mistakes, explain the value of the opportunity for them to learn and grow.

4. Take Note: Unless you are confident there truly was nothing to the situation take a moment to make a note about the situation in your records.

Note the date and a few details of the situation. An ambiguous note draws no conclusions. For example: 'Employee 'A' reported that he did not complete the work assignment because employee 'B' agreed to do the work. Employee 'B' indicated that he did not agree to do the work. It is unclear what really happened in this situation. The work was reassigned and Employee 'A' has now agreed to do the work. No further action taken.'

Does such an ambiguous note strike you as being unnecessary? Often such minor situations will amount to nothing, but if you suspect there is reason to be concerned in the future, it is good to record the incident for future reference. If no further incidents are noted in the next 6 months, you can remove the note from the file. However, if you observe a pattern of similar incidents over time, you will have laid the groundwork for future actions.

Creating a culture of trust and integrity does not mean sweeping minor concerns under the rug. Open lines of communication are vital and this sometimes this includes asking uncomfortable questions. When employees know your expectations and understand that you will hold them to high but fair standards, they will generally feel more comfortable to take responsibility for their mistakes. Keep in mind that trust, integrity and open lines of communication must be a two way street.

Additional Resources:

When Is Lying Just Cause For Termination?