

## Legal Risks of Giving Title Changes in Lieu of Raises

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The effects of the recent recession continue to impact employers as they make staffing adjustments resulting from budget cuts and decreasing revenues. In this environment, supervisors have a lot of plates to juggle, including providing input to middle and upper management regarding how job classifications of subordinates should be maintained and modified to fit an organization's needs. The fact that a supervisor does not usually have complete control or accountability for creating organizational structure does not mean that he or she cannot significantly impact human resource issues that cut to the bottom line.

As staffing numbers shrink, supervisors may be tempted to recommend an under-qualified person for promotion. However, to give someone a responsibility he or she is not capable of doing — or a title that suggests something he or she is not really doing — is risky. Employers can be found liable for their employees' actions if they haven't trained employees properly, or if employees are negligently promoted. Furthermore, if an employee's duties do not change, but the job title changes, the discrepancy between the title and the duties could lead to liability.

Job title inflation and its impact on obscuring job descriptions is nothing new. Managers should take the time necessary to anticipate problems in the reallocation of work duties that occur during reductions in force and restructuring by taking precautions to preserve order in the manner and methodologies by which jobs are reclassified and labeled. During economic recovery, similar problems may arise as workloads increase. By doing the job correctly, management will effectively reduce wage claims, unnecessary turnover, injuries and lost profits. These are all outcomes that help preserve jobs during and after recessionary periods, and can significantly impact the bottom line for employers.

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