

# Board & Care Quality

## F O R U M

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### Hiring Family and Friends as Staff: Benefits and Downsides

*As owner or manager of XYZ Board and Care Facility, you are frustrated by staff turnover and overall lack of responsibility. As you ponder this issue, you realize there might be a solution. Who better to fill your staffing needs than your mother....your daughter....your best friend...your neighbor? In other words, people you trust. People whom you have known for years and who share values as well as history with you. It's a perfect solution. Or is it?*

In eras past, staffing a business with family members was a common practice. Management of the family owned/operated business was handed down through multiple generations. It was understood by sons and daughters that they were responsible for carrying on this tradition. The family business was considered a legacy and a means to financial security for generations to come.

Just as management of the family business was passed from generation to generation, so was the staffing of that business. Sons carried on the work of their fathers; daughters carried on the work of their mothers. While this practice had the benefit of making it possible for family-owned businesses to remain in families for generations, utilizing family members as staff had a downside as well: just because someone's great-grandfather, grandfather, and father were all experts in a family trade, such as bricklaying, did not mean that the son and his male descendents would have that same skill, aptitude, or interest.

In today's world, hiring family or friends also has drawbacks as well as benefits. Employing family or friends in your board and care home may be considered by some to be nepotism

(favoritism shown to family members), carrying the stigma of "behind the scenes dealings." On the other hand, despite nepotism's ugly connotations, hiring friends or family to work in your board and care facility may have its advantages, too.

#### BENEFITS TO HIRING FAMILY OR FRIENDS

Some of the benefits that you may experience from hiring a friend or family member as staff in your home include the following:

- \* You know their strengths and weaknesses. Because you know "what you are getting" with family members and friends, there should be fewer surprises when they become employees.
- \* Because you already have a relationship with your friends and family members, the foundation is laid for them to be loyal employees
- \* Their relationship with you will increase the likelihood of them staying in your employment when times are tough; this can result in less staff turnover.
- \* Training costs may be lessened when family members and friends are already familiar with the operations of your home.
- \* The possibility of tax credits. According to Jay MacDonald of Bankrate.com, you may save on taxes if you hire your child, parent, or spouse. This applies if you are a "sole proprietor, or if you and your spouse are the only principals in a partnership or limited liability company." You may also be able to write-off costs of insurance for family members, keeping in mind that they must perform the same work as other employees receiving like benefits.

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