



This factsheet has been prepared for general information purposes. It is not a legal document. Please refer to the *Employment Standards Act* and Regulation for purposes of interpretation and application of the law.

July 2016

Managers

In British Columbia, managers are excluded from Parts 4 and 5 of the *Employment Standards Act*, which covers hours of work, overtime entitlements and statutory holiday pay.

How is “Manager” defined?

The Employment Standards Regulation defines a “manager” as:

- (a) a person whose principal employment responsibilities consist of supervising or directing, or both supervising and directing, human or other resources, or
- (b) a person employed in an executive capacity.

To determine if an employee is a manager, the Employment Standards Branch considers:

- How much can the individual, on their own or otherwise, materially and substantially affect the employment conditions of those for whose work they are held responsible by the organization?
- What kind of responsibilities does the employee have with regard to company resources, even if there are certain checks on their authority?

Duties

Typically, managers have the ability to act independently and make decisions using their own discretion. This may include things such as:

- Ensuring company policies are followed;
- Authorizing overtime, time off or leaves of absence;
- Calling employees in to work;

- Altering work processes;
- Establishing or altering work schedules;
- Training employees;
- Committing or authorizing the use of company resources;
- Managing a budget.

Example 1: An individual works for a large retail chain as a Pharmacy Manager. The employees she supervises are hired by the retail chain. This individual is not a pharmacist but is responsible for supervising and directing the day-to-day activities of the department. The individual is in charge of merchandising, advertising and other administrative functions related to the operation of the pharmacy.

This individual is a manager because she supervises human resources and directs other resources for the employer.

Example 2: A project manager for a corporation is responsible for overseeing a contract to implement a new computer system. The project manager has no employees reporting to her but is responsible for a large budget. The project manager has a great deal of discretion in running this project but not in running the corporation.

This individual is a manager because she directs resources for the corporation.

Continued ...



Example 3: A floor manager in a department store is responsible for ensuring stock is maintained in good order and customers are served quickly. The floor manager is required to approve any customer refunds within stated company policy. The floor manager can recommend staffing actions but has no direct authority to hire and fire employees. The floor manager also serves customers.

This individual is not a manager. Although there are elements of supervision and managing resources in the job, the floor manager has limited authority to act independently.

Executive capacity

A person is said to be in an executive capacity when he or she makes key decisions which are critical to the business, such as:

- How many employees are to be employed;
- What product should be purchased or produced;
- What services should be provided;
- From whom should supplies be purchased;
- At what price should products be sold.

They are the controlling mind of the business. They need not be the owner. They are sometimes given titles such as General Manager, Manager of Operations, Comptroller, or Director of Store Development.

What is not considered:

Determining who is a manager is not based on:

- The title given to a position or the fact that other employees refer to that person as a 'manager.'
- The form of payment of wages (e.g. salary, hourly wage, commission).
- The responsibility to open and close the business for the day.

An employee who is not a manager is entitled to the full range of entitlements under Parts 4 and 5, including premium wage rates for overtime and statutory holiday pay.