

לזכות בנינו ובנותינו
ומשפחתם שיחיו
להצלחה רבה בכל העינים

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הרה"ת ר' יוסף יעקב וזוגתו מרת
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PRACTICAL HORA'OS

A CLOSER
LOOK AT
SOME OF
THE REBBE'S
HORA'OS

RUNNING A BUSINESS

The Rebbe's hora'os for employers on topics from hiring and firing to salaries and partnerships

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TZEDAKAH FOR EMPLOYEES TO GIVE

On Shabbos Parshas Lech Lecha, 5750, the Rebbe spoke about ways to increase in *tzedakah*. One way to do so, the Rebbe said, would be for employers to give employees—in addition to their regular paycheck—money for the purpose of giving *tzedakah*.

In order to add in the giving of *tzedakah* this year in particular, it is worthwhile to institute that the director of every *mosad chinuch* (a *cheder*, *talmud Torah*, *yeshiva ketanah*, or *yeshiva gedolah*) should distribute money—from his own funds or those of the organization—to be given to *tzedakah* by all of the *mosad's* students, and all of its employees.¹

The Rebbe went on to say that this could be any amount, even a tiny bit; it should be done at least once a week, ideally on Erev Shabbos—before everyone goes home for Shabbos—which is when the *tzedakah* is most needed for the poor.

The Rebbe said that this applies not only to schools and *yeshivos*, but to all Jewish institutions and organizations, and that it would be ideal to institute this at non-Jewish institutions and organizations, especially those in America, where philanthropy is a foundational value.

SEVERANCE PAY

The *Sefer Hachinuch*² says that even though the actual *mitzvah* of “*ha'anaka*”—giving gifts to a servant when sending him away at the end of his tenure—only applies during the time of *Yovel*, it is nevertheless appropriate that some form of it be observed today as well. When someone employs their fellow to work for him, and the period of employment ends—and all the more so when the employment is terminated before the allotted time, whether this is because the employer has enough workers and the employee's job is redundant, or even because the employer is displeased with the employee's work—the employer must give the employee *ha'anaka*—severance pay.

(If the employee quits before the allotted time, there is no *mitzvah* of paying *ha'anaka*, similar to the *halacha* in the case of an *eved* that “one who flees or leaves [voluntarily] with *gir'on kesef* (the deduction of money) does not receive *ha'anaka*.”)

Ha'anaka is considered *tzedakah*, which makes it clear that one cannot fulfill this obligation by paying something that they are already required to pay. The worker's wages must, of course, be paid in full, and promised bonuses also do not count towards *ha'anaka*, as bonuses are not considered *tzedakah*.

It doesn't matter how long the employee worked for

the employer, as the *Sefer Hachinuch* writes, “a long time or even a short time.” It also makes no difference whether the employer was pleased with the worker—whether “the home was blessed because of him” or “the home was not blessed because of him,”³ the employer must give *ha’anaka*, in accordance with the amount of time the worker was employed.

And all the more so, when “the house was blessed because of him,” when the law is that “you must give him in accordance with that with which you have been blessed,” you must increase his *ha’anaka*, proportionate to the amount that “Hashem blessed him with.”

The Rebbe added that this teaching of the *Sefer Hachinuch* should be publicized, and followed by all.⁴

FAMILY BUSINESSES

The Rebbe did not always approve of family members working together in a business, as this could lead to acrimony and discord. In a number of *yechidus*’n with members of Machne Israel Development Fund⁵ in 5752, the Rebbe spoke about the potential downsides of working with family.

To someone who was having issues with family in the business, the Rebbe said, “In general I am not in favor of partnership between relatives, because relatives are too envious of the success of one another. If you have a partnership, a companionship with a relative, then continue it, but don’t enlarge it. You’ll continue the same measure as till now, and if the partnership becomes bigger, then it is good to have someone from outside, not from the family.”

Another individual asked about a business venture, and the Rebbe replied, “If you have some suspicion that there will be disagreement in the family, then it is not worthwhile to make a new partnership with relatives. If you have the inclination to make a partnership, it is better to make it not with a relative, [but with] someone who is not closely related. That will be more peaceful.”

On the other hand, however, there were instances when the Rebbe did advise people to join the family business.

Reb Zalman Deitsch went into *yechidus* before his *chasuna*. The Deitsch family patriarch, Reb Sholom, had recently passed away, leaving six orphans, the oldest of whom, Reb Zalman, was about to marry. The Rebbe asked Reb Zalman what his plans were for after the *chasuna*, and Reb Zalman said that he intended to go on *shlichus*. The Rebbe, however, instructed Reb Zalman to join his father’s business and to take up its directorship, saying that in this way he would be able to provide for his mother and siblings.

Later, the Rebbe directed Reb Zalman’s brother, Reb Yosef Deitsch, to join the business as well, but this time the Rebbe said that it had to be with the approval of the wives of Reb Zalman and Reb Yosef.⁶

WORKING FOR THE FATHER-IN-LAW

The Rebbe wrote to an administrator of a large *mossad* that he would recommend that his son-in-law accept a *chinuch* position that the father-in-law was offering him, and the Rebbe set forth the following conditions so that he should be able to succeed, and that his *shalom bayis* should not be affected by the job.

He must have true and complete autonomy in his work, meaning that once you speak clearly and in detail about his job description, you, your wife, and your daughter will not mix in with his work (unless he himself asks you to).

And just as you promised—without being asked—salary and other conditions to [someone else], you must offer him at least the same... The same applies to your daughter.

This is all for a trial period of one year. After this, there can be no complaint if either side does not wish to continue; [in that case,] it will have to be as if the whole thing never took place. But I am sure that if they follow these conditions, the father-in-law and son-in-law will be successful in their partnership as necessary and even more, and the *mossad* will do very well. And the merit of the one who founded the *mossad* [the Frierdiker Rebbe] will stand by them.⁷

COMPETITIVE SALARIES

“Regarding what you wrote about giving a pay raise, I don’t know the pay grades in Eretz Yisroel, but you certainly know and are taking into account that when you give one person a raise, this must be in a way that is commensurate with the pay of the other employees.”⁸

“It’s obvious that you shouldn’t single out any of the young men by giving him a raise.”⁹ **T**

1. Sefer Hasichos 5750 vol. 1 p. 108.
2. Mitzvah 482.
3. As the Gemara (Kiddushin 17b) rules regarding an eved.
4. Likkutei Sichos vol. 19 p. 155.
5. For the story about this unique fund, see To Greater Heights - Derher Elul 5775.
6. From Vayehi Ish Matzliach, the Biography of Reb Zalman Yuda Deitsch.
7. Shlichus K’hilchosa p. 262.
8. From a letter of the Rebbe to Reb Aharon Mordechai Zilberstrom, printed in the Blau-Zilberstrom teshura, 6 Tammuz 5775.
9. From a maane printed in the Shuchat-Orenstein teshura, 1 Kislev 5770.