

THE ULTIMATE GUIDE TO HR & EMPLOYEE COMPLIANCE



Top 10 HR Mistakes & How to Avoid Them

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About the Guide

Let's face it, your employees are your biggest asset and expense. They can either make or break a good company. So, when it's good, it's really good. And when it's bad, it's bad.

Happy employees are enthusiastic, productive, and successful...which ultimately means you're successful. So keeping them excited and engaged is important. But it requires time and effort on your behalf.

And while it's essential to have the rules and regulations, it's not the reason you got into business...to manage employee compliance and employee issues. That part of your business is well, tedious.

There's no doubt, human resources is time-consuming. And with 1800-2400 employment codes to comply with depending on your size, it can also be confusing.

That's why I created **The Ultimate Guide to HR & Employee Compliance**.

It will tell you the costly HR areas to watch out for, guidelines to keep you out of hot water and ways to save you money.

I hope you find the guide helpful. If I can answer any questions about the book or your HR needs, please reach out.

Sonya Muenchen



Mistake #1

Old or Missing Employee Handbook

The employee handbook has become a legal document, the de facto employment contract for American employers.

Like all legal documents, the employee handbook needs to be taken as seriously as the legal document it is and should be professionally prepared and maintained.

I know, you've never needed one in the past....but let's face it, with 1800 employment codes, how do you manage HR and run your business?

Ignoring this vital piece of company communication could result in employee problems, costly unemployment claims and discrimination suits.

Ignorance isn't bliss. Better to be compliant than in court.

Mistake #2

Ignoring Turnover

Turnover is Expensive...

Regardless of the hourly rate, all open positions take a toll on you, your remaining employees and your profit margin. For example, the average cost to replace a \$10/hr employee is \$3200...times 4 and you have just lost \$12,800 in a year.

The KEY to turnover is in the "WHY" people leave.

If you don't know why, find an HR partner that will analyze your company environment, processes, compensation plans and exit interviews to better determine how to lower turnover and keep your employees happy and productive.

NOW HIRING

Mistake #3 Poor Hiring Practices

Not having a workflow on how you will find your new talent will eat up valuable time and energy.

Utilize onboarding software to develop applicant filters, online applications, consistent interview questions and an efficient onboarding process. This will cut the initial time spent finding the right employee.

Make sure you and your hiring staff are clear on the "do's and don'ts" of the interview questions and process. Remember, you are looking for an employee, not a lawsuit.

While interviewing, make sure you are candid about your current company challenges, look for similar traits of your top performers and engage your current team with the process.

You may even want to give the applicant "homework" to see their thoroughness, writing abilities, and deadline aptitude.

Mistake #4

Costly Theft

It's always impacts your bottom line...

Whether it is money, food and drinks, or office supplies, theft should be addressed immediately so it doesn't leave a lasting affect on your balance sheet or your employee lineup.

Protect yourself by putting the company policy and consequences in your handbook. When faced with a problem, don't jump to conclusions instead:

1. Investigate and look for proof
2. Determine the legal impact
3. Question employees
4. Be consistent

Obtaining legal counsel or an HR professional to assist will also prevent you from violating any civil laws and ensure you are being equitable with investigations and consequences.

The key is to effectively and efficiently eliminate the problem, establish prevention procedures and decrease your exposure in the future.

Mistake #5

Unemployment Matters

Don't throw away your cash...



Many times turnover leads to unemployment claims. So having an updated handbook, current job descriptions and proof of employee receipt are essential if you are talking to the state agency regularly.

Unfortunately this can also be time consuming. Your expertise is in running your business, not dealing with the DOL and the myriad of papers and deadlines that come with one claim.

If tackling the paperwork and interacting with the agency isn't in your wheelhouse, look for an HR advocate. It may be the best money spent.

Mistake # 6

No Drug Testing

Implementing a drug free workplace has countless benefits.

Employers have seen a decrease in workplace accidents, employee mistakes, absenteeism, employee turnover, and in their workers' compensation claims. So how do you initiate a new substance abuse policy?

First, update your handbook: stating why you are initiating the new policy, what is expected of employees and consequences for policy violations. Next, decide the conditions of who gets tested and finally, what drug & alcohol testing you will conduct.

Mistake # 7

Avoiding Problem Employees

Keep Calm And Do It

Handling a problem employee requires a measure of grace and patience. It will also require time and depending on the issue, knowledge of your rights. Making a mistake here could land you in the middle of a lawsuit, so be careful. This is when a good HR partner is invaluable. but if you are going it alone - try these steps:

1. Identify the problem and analyze the situation.
2. Have a constructive discussion of problem behaviors with the employee.
3. Anticipate the employee's likely reaction and have an appropriate response ready.
4. Document the discussion.
5. Follow-up with the employee.

Mistake #8

Denying Harassment

We all know it happens...



Labor laws are demanding. You should know your states rules and how they affect you. Minimally:

1. Policies and procedures should be clearly documented.
2. Employees should know how to report an incident.
3. Employees should have OSHA, sexual harassment and discrimination trainings.
4. Management should keep attendance records and report as required.

This is not a DIY type of item. Verbal, Physical, and Visual harassment can cost you dearly, so make sure your are covered from all angles.

Mistake #9

Termination Mishaps

Helping employees be successful should be a top priority. But sometimes, it just doesn't work out...

When employees don't perform, you may need to retrain and review job duties. Regardless of the situation, the checklist below will help guide you.

- 1. Write everything down.**
- 2. Clearly communicate expectations**
- 3. Be a good coach**
- 4. Implement a performance improvement plan (PIP)**
- 5. Conduct a written counseling**
- 6. Terminate**

Remember, turnover is costly...the goal is to motivate your employees to get to the next level which ultimately helps the company reach its objectives.

Mistake #10

Disputing Employee or Client Injury

You are liable...

for damages when:

- 1. Injury is caused by the negligence of an employee who is within the course and scope of employment**
- 2. If employee causes injury to another person.**

Accidents Happen

Protect yourself because it only takes a sheet of paper and a filing fee to file a personal injury lawsuit.

And it could take thousands of dollars and countless hours to defend yourself and your business.

A good HR partner will be an invaluable resource by reviewing the incident, looking for opportunities to decrease exposure in the future and ensuring proper training is taking place.

Let Go...

And let the experts.

Managing human resources is not easy. Employees are demanding. And your time is precious. You got into business because you loved the industry, not to babysit.

And let's face it, finding the right HR support can be time consuming and confusing. It's not a one cup of coffee decision.

Do you choose a DIY website to answer critical HR questions or do you look to a consultant or a lawyer? Are there other options? Regardless of which direction you choose, the solution should ultimately decrease your exposure, increase compliance and save you countless man hours.

Where do you go for your answers? I suggest talking with your lawyer and other business owners. Of course, if I can help... please reach out.

I've been in the payroll/HR business for nearly 20 years. I started The Payroll Gal so business owners don't have to get a PhD in payroll, HR and benefits to get the best solution.

I have one simple goal... to leverage my insider know-how to help my clients get the best deal for their company. I take the guess work out of service levels, pricing, and compliance.

At The Payroll Gal, I offer services from all the best providers and deliver candid advice without the sales pitch. It's human resources the way it should be.

Let me know how I can help...

Sonya Muenchen

Connect with me:

