

HR Tips for Small Business

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Blunders in HR can hurt profits and prevent growth, which could be detrimental to any business. Even though small business is a major economic driver in the U.S., many don't survive past the first five years. In an effort to increase small business' success rate, we offer these HR tips for small business:

- **Utilize a streamlined interview and hiring process**
Large companies often have a slow-moving and complicated interview and hiring process, streamlining yours allows you to discover and snag those qualified candidates first.
- **Onboard new employees immediately**
Taking the time now to onboard new hires the right way will save you headaches and hassle down the road – not to mention the costs of having to re-recruit, re-hire, and re-train.
- **Create and update your employee handbook**
An employee handbook explains your company's policies and procedures as well as clearly communicates expectations to employees. The included policies should be easy to understand, fair, and consistent. In the event of a dispute, having an employee handbook helps protect your business.
- **Provide training opportunities**
Employers can rest assured all employees are performing at peak levels by providing new hires with the tools they need to hit the ground running and current employees with the opportunity to grow.
- **Establish performance evaluation and documentation procedures**
Documenting performance evaluations appropriately not only ensures fair treatment of employees and their compensation, but also protects your business in the event of disciplinary action and/or termination.
- **Classify Employees Correctly**
Many small businesses classify their employees differently than large businesses do in order to save on associated employment costs. Misclassifying employees however, can cost considerably more in the long-term. That is why it is imperative to ensure employees are classified correctly from the beginning.
- **Keep payroll up-to-date and organized**
Due to disorganization, many small businesses struggle to stay up-to-date with payroll. Remain organized by utilizing payroll systems and be sure to hand out paychecks on a consistent and timely basis.
- **Know, understand and comply with HR laws and regulations**
Knowing and understanding HR and employment laws and regulations is vital to the long-term success of any business, but most especially small business, due to the high costs associated with non-compliance.

It is easy to ignore the human resource side of business when things are running smoothly. When things aren't running smoothly however, you'll wish you had taken the time to appropriately address those HR challenges.