

Common HR Mistakes and How to Solve Them



Seemingly insignificant HR mistakes can be a ticking time bomb for small businesses. This paper outlines some of the most common HR issues, and how you can solve them.

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Running a business is a TOP priority to employers; therefore, it's important to balance all aspects of the business to be successful! This includes ensuring that employees are on-boarded correctly to start off on the right foot.

– Jessica Hubbard-Davis
HR Consultant, Paychex Inc.

In this Paychex blue paper, you'll learn about some of the most common HR mistakes, and some action steps you can take to solve them.

Here's What You'll Learn About

- ✔ Up-To-Date Job Descriptions
- ✔ Consistent Forms I-9 Completion
- ✔ Correct Employee Classification
- ✔ Developing an Effective Employee Handbook
- ✔ Cultivating Employee Retention

Up-To-Date Job Descriptions

An up-to-date description clearly identifies a position's essential functions, as well as the required knowledge, skills, and abilities needed to perform the job.

This is a common issue with employers, because they don't keep their job descriptions up-to-date. This hinders their ability to hire the most qualified candidate for the job, and conduct performance management tasks.

Mitigating risk is relatively simple, by following these quick action steps below.

Take Action

1. Review your current descriptions (make sure that all the required skills, job-related experience, and physical requirements for the position are listed).
2. Be sure to indicate all essential functions.
3. Remove any job descriptions that are outdated and add new ones as needed.

Consistent Forms I-9 Completion

Under the Immigration Reform and Control Act (IRCA), employers are required to verify the identity and work authorization for each employee hired after November 6, 1986.

Failure to follow a consistent practice for the completion and retention of Forms I-9 could expose you to fines or penalties.

To help set up and maintain a consistent process, follow these best practices.

Take Action

1. Always ask employees to complete Section 1 of the Form I-9 by the first day of employment for pay, but not before an accepted offer of employment.
Note: time spent completing the form at your request is considered time worked and must be compensated.
2. Make sure employees provide proper documentation within three days of the first day of employment.
3. Retain Forms I-9 separately from the personnel file, and develop a purging policy compliant with retention requirements.

Correct Employee Classification

Another issue that can potentially lead to violations is the improper classification of employees as exempt or non-exempt from the minimum wage and overtime provisions of the Fair Labor Standards Act, or FLSA.

To prevent misclassification of employees, follow these suggestions below.

Take Action

1. Become familiar with the two types of classifications (exempt and non-exempt), and the wage and hour requirements for each under the FLSA.
Note: contact legal counsel whenever a position's classification is in question.
2. Review your classifications and make sure that employees in positions with similar job duties are classified the same way.
3. In cases where employees are covered under both federal and state law—they must be considered exempt under both laws for you to avoid paying overtime.

Developing an Effective Employee Handbook

A solid handbook sets the entire foundation for communicating company policies, and your cultural values, to employees. It's also your most critical piece of documentation in the case of an employee-related lawsuit.

Take Action

1. Engage a labor and employment attorney to review your handbook on an annual basis.
2. Include all company policies, and articulate them in reader-friendly language that your employees can understand.
3. Finally, it's critical that you review the contents of your handbook once per year and require employees to acknowledge receipt of the handbook.

Cultivating Employee Retention

Companies often spend a disproportionate amount of effort on retaining workers (compared with recruiting). You can maximize your recruiting efforts by putting some attention into simple retention strategies such as:



Offer competitive benefits, even relatively low-cost ones like flexible-spending accounts and wellness programs.



Create long-term career opportunities, and encourage managers to help employees identify long-term goals and strategies to reach them.



Solicit feedback from employees to identify those who might be thinking of leaving so you can help facilitate proactive ways of resolving issues.

Next Steps

Now that you have a better understanding of these common HR issues, here are some additional resources that can give you added depth and insight:

Top Issues HR Pros Face in Today's Workplace

This blueprint gives you an in-depth look at the most pressing problems facing today's HR professionals.

<https://www.paychex.com/a/d/white-papers/mms/top-issues-hr-pros-face-in-todays-workforce.pdf>

[Infographic] HR Can Improve Efficiency Using Automation

Revealing look at HR challenges and efficiencies that automation can bring.

<https://www.paychex.com/articles/hcm/infographic-improve-efficiency-using-automation>

[Webinar] New Year, New Hire: Pre-Hire Readiness in 2017

Watch as Jessiva Hubbard-Davis and Grant McClellan of Paychex HR Services, and Tanya A. Bovée of Hartford, Jackson Lewis, discuss best practices for recruiting and hiring employees, in this free webinar.

<https://www.paychex.com/secure/seminars/pre-hire-readiness-2017>

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