



# 5 HR Essentials for Small Businesses

Whether your business has one employee or one hundred, human resource (HR) and compliance responsibilities are real. Business owners must comply with these obligations or risk significant fines, expensive lawsuits, lower productivity and even a damaged reputation. The following are 5 HR essentials every small business should consider having in place:

## 1 HR Compliance



Up to **\$1,000** per violation for employers who willfully or repeatedly violate minimum wage or overtime pay requirements<sup>1</sup>

## 2 Policies & Employee Handbooks

Approximately **73%** of employees between the ages of 18 and 35, reported spending time inappropriately at work each day<sup>2</sup>



## 3 Performance Management

**71%** of U.S. workers are "not engaged" or are "actively disengaged" in their work and are "less likely to be productive"<sup>3</sup>



**HR. Payroll. Benefits.**

## 4 Effective Hiring

Nearly **7** out of **10** businesses are affected by a bad hire, according to CareerBuilder Survey<sup>4</sup>



## 5 Recordkeeping & Retention

A Knoxville, Tennessee restaurant agreed to pay **\$29,061** in back wages for violations of the Fair Labor Standards Act's minimum wage, overtime pay and recordkeeping provisions<sup>5</sup>



Download the full *Top 5 HR Essentials for Small Business* report at [www.adp.com/Top5HRessentials](http://www.adp.com/Top5HRessentials)

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Sources: [1] United States Department of Labor elaws<sup>®</sup> - Fair Labor Standards Act Advisor <http://www.dol.gov/elaws/esa/flsa/screen74.asp> [2] Employees Really Do Waste Time at Work, Forbes, <http://www.forbes.com/sites/cherylsnappconner/2012/07/17/employees-really-do-waste-time-at-work/> [3] Majority of American Workers Not Engaged in Their Jobs, Gallup<sup>®</sup> Well-Being, <http://www.gallup.com/poll/150383/majority-American-workers-not-engaged-jobs.aspx> [4] Nearly Seven in Ten Businesses Affected by a Bad Hire in the Past Year, According to CareerBuilder Survey, <http://www.careerbuilder.com/share/aboutus/pressreleasesdetail.aspx?sd=12/13/2012&id=pr730&ed=12/31/2012> [5] Don Gallo restaurants in Knoxville, Tenn., agree to pay more than \$29,000 in back wages to 43 employees following US Department of Labor investigation, <http://www.dol.gov/whd/media/press/whdpressVB3.asp?pressdoc=Southeast/20130315.xml>

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