

7 Common Employer HR Mistakes



When you're focused on running your business, inattention to compliance issues can trigger costly fines, penalties and lawsuits. Here are some common compliance missteps small and midsized businesses should avoid.



Not Taking Complaints Seriously

When an employee makes a complaint about unfairness, discrimination, harassment or illegality in the workplace, you must act quickly. Hoping a co-worker disagreement will dissipate or a poorly-trained manager will improve will not help you avoid an EEOC investigation or employee lawsuit. **Lack of action can drain employee morale and toxify company culture.**



Failure to Account for Differences in State or Local Laws

Some jurisdictions define discrimination or harassment differently than federal law. Many states have a higher minimum wage than the federal wage. **You must always comply with all applicable state and local requirements, in addition to federal laws.** If your company has multiple locations, or you have remote employees working in different states, keeping up with variations in state and local employment laws can be frustrating and time consuming.



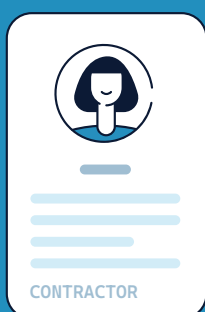
Asking the Wrong Questions

There are some types of questions you can't legally ask a prospective job candidate. These include questions in which answers could reveal an applicant's age, health condition, ethnicity, marital or parental status, prior arrests, sexuality, and more. Provide interviewers and hiring managers with a list of compliant questions and training in how to interview and anti-discrimination policy. **It's a good idea to include a statement of your company's anti-discrimination policy in your job ads.**



Unfair Policies (even if unintentional)

Discrimination needs to be a consideration in the development of all of your employment policies—from hiring through termination. Although you would never mean to create an unfair or discriminatory policy, **sometimes context can tip the balance toward discrimination.** For example, consider a requirement of being able to lift 50+ pounds. Is that based on a reasonable factor other than age or gender? The answer is probably yes, if you're hiring firefighters, but might be no, if you're hiring accountants.



Misclassification of a Nonexempt Employee

When employers make mistakes in worker classification (exempt vs non-exempt), they open themselves up to action under the FLSA for wage and hour violations. Remember, many states have their own wage requirements and overtime rules. **You should also be mindful of federal and state laws for classifying independent contractors versus employees.**



Failure to Calculate Pay Correctly

There are many ways to make errors on paychecks, including failure to apply overtime rules, mistakes in paid vs. unpaid leave, failure to pay for travel time, paid breaks (rest breaks, nursing mothers), donning and doffing of uniforms, and more. **When the error is in the employer's favor, it can expose your business to penalties and fines.**



Missed Payroll Tax Filings and Deposits

Payroll tax penalties and fines apply if your business fails to make timely federal deposits. These penalties are quite expensive—up to **15% of the past due amount, depending on how many days late the deposit is made.**

Don't want the risk and overhead of maintaining payroll and HR staff? Asure can take the expense and compliance headache off your plate. Our certified HR professionals help build top-notch teams, stay compliant with HR laws, and eliminate the need to hire full-time back-office staff.

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