



Top 10 HR Mistakes and How to Avoid Them

By Jodi Schafer, SPHR, SHRM-SCP | HRM Services | www.WorkWithHRM.com

April 2019

Question: I'm a new to human resources (HR) and I am trying to learn all I can. Can you share some common mistakes that HR professionals make and how to avoid them?

Answer: At HRM Services, we've worked with organizations on their HR needs for well over a decade. Throughout the course of these relationships, we've come to notice similarities in the kinds of HR mistakes employers make. Most of the time the error stems from a lack of knowledge, a lack of confidence and/or a lack of time. Let me share the most common of these and how to avoid making similar mistakes in the future.

#1. Limited understanding of employment law.

Most of you went to school for your specialty, not to be an attorney. I get that. However, in deciding to own a business, you've become responsible for complying with all applicable employment and labor laws. This includes proper classification of employees, adherence to wage and hour rules, knowledge of anti-harassment and anti-discrimination laws (and there are several of them), appropriate use of at-will terminations, etc. Feeling overwhelmed yet? That's okay. You don't have to be the expert in each of these areas, but you do have to know enough to use your resources. In addition to general reading you may do, you can also enroll in HR-related training sessions, familiarize yourself with the Department of Labor's website and the employer toolkits they have available online and/or join various HR expert email lists to be kept abreast of new and changing laws.

#2. Lack of clear policies or use of outdated (or someone else's) policies.

It's difficult to follow a rule if your employees don't know about the rule. Every company has their own way of doing things. How you greet customers, what your policy is for absences and how you want your team to dress are just a few of the day-to-day things that employees will need to know to meet your expectations and be successful in your office. Putting your policies in writing is a necessary first step if you want to hold employees accountable for following them. Be sure the policies you adopt are appropriate for YOUR company and YOUR work culture. Just because your friend has this policy in her office, doesn't mean it is something you should adopt in yours. In addition to the rules, you get to customize, there are policies that need to be communicated for legal and/or compliance reasons like OSHA and labor laws. An updated employee handbook and visible employment law posters will help meet this critical communication requirement, ensuring that you and your employees are on the same page.

#3. Hasty hiring decisions.

Hiring the wrong person can be one of the most costly and damaging HR mistakes a company can make. The negative impact on office morale, employee relationships, performance results and your personal time can be difficult to bounce back from. And we all know that the hiring process isn't cheap. According to the U.S. Department of Labor, the price of a bad hire is at least 30 percent of the employee's first-year earnings. Yikes! The interesting thing about this mistake is that often leaders have a feeling it isn't going to work out when they make the job offer, but they hire the person anyways because they feel pressure to fill the position. Good hiring practices are part art and part science. The art component is honed with experience and patience, but the science piece of the equation can be implemented immediately to improve your outcomes. Utilizing a robust screening process that includes more than just you as the decision-maker is a good place to start. Get to know more about candidates through phone interviews, in-person and team interviews, job shadowing and reference checking. If it doesn't feel right then KEEP LOOKING! The time you put into the process on the front end will pay dividends.

#4. Inadequate onboarding and training procedures.

I see this mistake happen frequently and then when the employee 'doesn't work out' there is more than enough blame to go around. Many companies do not have job responsibilities clearly documented, nor do they have staff that are cross-trained. So, when the front desk person quits suddenly, no one else really knows how to do that job – let alone train it! Is it any wonder a new employee would struggle getting up to speed and meeting your expectations without making several mistakes and becoming frustrated in the process? The hard part with training is that it requires TIME to do it well. Thought and planning should go into acclimating the new hire to the company, to the team, and to their specific job functions. A training plan should be developed with point people assigned to teach the various aspects of the position. These training leads should be available to the new hire to demonstrate, give feedback and answer questions throughout the learning process. Ideally, checklists, written procedures, and resources would be provided to the trainee to support their hands-on training. Only then can you truly hold them accountable for their progress and performance.

#5. Failing to invest in your team.

You put so much time, energy, and money into staffing your company. Why let that investment languish? Think of your team like you think of your health. You need them to survive! Unfortunately, good teams don't just happen because you wish for it. It requires making the right choices and sustaining those choices over the long haul. Develop your employees' competencies, share your knowledge and your reasoning for company policies and protocols, encourage them to participate in professional development opportunities (and pay for it!), take an interest in them as a person - care for their physical/mental/emotional well-being. Do this and they will begin to do that for others – your customers, their co-workers and you too! As the old adage says, "You get out what you put in."

#6. Systems and structures that aren't scalable.

Working with a small, close-knit team affords you certain luxuries. You get a chance to really know your people and for them to know you. There is a strong sense of connection to the work and to the success of the company because employees can see the direct impact of their efforts. If an idea surfaces for how to improve a process, it can be quickly implemented without a lot of back-and-forth. Many times, a small office can feel like a family. But what happens when the company begins to grow and you start adding more people to the 'family'? Suddenly staff may feel the need to compete for your time and attention because you're not as accessible as you once were. Changes take longer to implement because they affect more than just one person's job duties. Sharing information can feel like a game of telephone and

someone will miss the memo. As your company grows, your internal systems and structures need to become more formal and sophisticated to support this. You can no longer be everywhere at once, making all of the calls yourself. Policies need to be written down, rules around time off need to be clarified, complaint procedures and chains of command need to be established, etc. This is why they call it 'growing pains. It will hurt at times, and you may lose staff during the process because change is hard. But failing to build scalable systems will undermine your success and continued growth.

#7. Inaction.

Whether this stems from a fear of doing it wrong or is a result of analysis-paralysis, the effect is the same – no change. When leaders fail to address problems or concerns, employee behavior and/or performance remains the same or worsens. As I often tell my clients, "You can't fix problem if you don't know it's a problem." Your staff are not mind readers and just because something is obvious to you doesn't mean that it is obvious to them. Inaction is often perceived as permission, so failing to address a situation when it first occurs can lead to a snowball effect. The problem continues, the frustration grows and when you finally have had enough you blow; blindsiding your employee. It's not productive. Don't wait...

#8. Lack of documentation.

This really becomes a problem when you want to discipline and/or terminate an employee. Now, I know what you're thinking, "I'm at-will. I don't need a reason to fire someone, so why do I need documentation?" An at-will employment status is not a golden shield. It does not protect you from claims of discrimination, retaliation, whistleblowers, wage and hour violations, etc. In other words, you can fire someone for any reason *so long as it is not an illegal reason*. Proving that it wasn't requires documentation. Keeping notes from coaching/training sessions, disciplinary meetings, performance reviews and/or customer complaints will provide a defense for your decisions should you ever need it. Moreover, the act of writing down (a) what happened, (b) why it's a problem, (c) what the expectations are going forward, and (d) what will happen if improvement isn't made will bring clarity to the situation for both you and your staff member. Providing this documentation to the employee and keeping a copy in their file shows that you are serious and that you are not hiding anything. Transparency is a key attribute of a good leader.

#9. Poor recordkeeping.

This sort of goes hand-in-hand with mistake #8 about documentation. You need to have a designated place to keep your employee documents, preferably in a locked, fireproof filing cabinet and/or digitally. As with most things, there are rules that govern what you need to keep and for how long. At a minimum you'll want to keep 3 files on each employee: (1) personnel file, (2) a medical file and (3) a confidential file. The personnel file should contain all of the job-related documents for each of your team members: resumes, completed employment applications, training documents, performance reviews, disciplinary notes (as discussed above), etc. The medical file is reserved for accommodation requests, drug test results, and/or medical leaves of absence documentation. The confidential file is for wage garnishment information, notes from workplace investigations, notes you took from their interview(s) and reference/background check results. Don't keep your employee files forever though. They can take up a lot of space and could become a potential liability if you were ever audited. A good rule of thumb is to keep your past employee files seven years from the date of separation. After that, shred them.

#10. Blind trust.

And last, but not least...Be wary of the adage, 'Hire good people and let them do their job'. This management philosophy has been shared with me many times over the years. It's not wrong, but it's not enough. I prefer the 'trust but verify' approach. I've seen too many leaders assume they are hiring good people because the candidate was warm and friendly in the interview. Or assume they have the skills needed to do the job because of what they wrote on their resume or because they were an experienced hire. Or assume a task was completed and done well because an employee told them so. The truth is, you need to INspect what you EXpect. Be sure to get more than one side of the story when an employee complains about something (or someone). Stroll by the break room or the front desk unannounced once in a while and watch how your team interacts with each other and your customers. Put systems in place to track your financials – including billing adjustment codes and write-offs. Check with past employers before making hiring decisions to learn more about a candidate's abilities, behavior, and the reason they are no longer working there. At the end of the day, this is your company, and you have an obligation to know what's going on in it.

Sometimes we learn lessons the hard way. Hopefully this list helps you avoid making some of these common mistakes in the future. I want this to be preventative, not predictive! Remember, you don't have to navigate HR situations on your own. Please check out the HRM Services website at workwithhrm.com for additional resources and HR services.