

## **Human Resources in an Increasingly Regulated Business Environment**

Regardless of your political persuasion, every business person recognizes that the regulatory environment is becoming ever more burdensome on business. As difficult as it is for Human Resources professionals to keep up with changing regulation, consider how much more difficult it has become for smaller businesses without a professional HR department. Here are a few tips for managing the overwhelming HR role of today's business leader:

1. Document, document, document. Discrimination claims have increased over the past few years. Additionally, defending such claims has become more burdensome. For example, to defend an age based discrimination claim, an employer used to have to prove that age was not the determining factor in an adverse employment, in July of this year a mixed motive case was allowed where age may be one of several factors for the decision.
2. Train supervisors on the fundamentals of employment law. Supervisors/managers are legal representatives of your firm—when they do very smart things and when they do not so very smart things! Though in many cases, the law may be a matter of common sense, expensive litigation can often result from following “common sense” rather than the letter of the law. Supervisors should be trained on interviewing and selection, harassment and equal employment opportunity, employee and labor relations, as well as documentation procedures to name a few.
3. Always be ready for an investigation. Though most employers recognize the need to follow immigration law, very few perform self audits of their processes. Doesn't it make more sense to find our own mistakes rather than allowing an investigator find gaps in the process. Saying this, effective July 1 of this year, all SC employers of 100 or more workers must verify the legal status of new employees by one of two processes. This requirement is in addition to the current federal I9 requirement. Many felt that enforcement of this legislation would be difficult in our current economic environment; however, many businesses in SC have been audited since July. Businesses with fewer than 100 employees will be covered July 2010. Audit yourself before they come!
4. Communicate company policies regularly to all employees—not just supervisors. All employees should be regularly trained on the company's policies including harassment/sexual harassment and the company's policy on discrimination. When employees understand top management's stance on important issues, they are more likely to report problems rather than letting issues get out of hand.
5. Keep up! Regardless of the size of your company, someone should be designated as the HR leader. As a small business owner, the responsibility has predominantly been mine—and I'm sure that I am not alone. The burden of keeping up with the ever changing legal landscape can be made lighter by developing a relationship with an excellent employment law attorney, subscribing to an online HR newsletter, or joining a national or local HR group such as SHRM or an HR forum at your Chamber of Commerce.

As we focus on the primary job of serving our clients and building a financially secure future for our employees and ourselves, it can be frustrating to deal with increasing regulation. Developing tight HR processes and training our employees to those processes will ensure that we are here for our clients for years to come! We do have a great deal to be thankful for, don't we?