



Small Business Bulletin

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Talent Management for Small Businesses

With fewer employees, small businesses tend to be more dependent on workers' individual performance. As a result, there's often a lot at stake for a small business when hiring and developing talent. Therefore, talent management is critical for any small business's overall success and long-term growth because it can help organizations operate more efficiently in today's competitive market. This article explores talent management, including potential challenges and best practices for small businesses.

What Is Talent Management?

Talent management is the sum of an organization's employee attraction and retention efforts, including:

- Recruitment
- Onboarding
- Workforce planning
- Employee management
- Performance management
- Training and development
- Compensation planning
- Employee succession and retention

This practice starts when a candidate first interacts with the organization and continues after offboarding. It aims to develop employees and enhance the skills and talent they bring to an organization.

Benefits of Talent Management

When done well, talent management allows small businesses to attract, recruit, develop and retain employees in a way that helps drive the organization's success. Effective talent management helps improve employee engagement, morale and satisfaction. In turn, this can boost a small business's brand and performance and reduce costs.

Common Talent Management Challenges

Most small businesses already perform many components of talent management. However, these practices can hinder effective talent management strategies when implemented poorly. The most common talent management challenges include the following:

- Unaligned hiring and recruitment practices
- Ineffective onboarding and development processes
- A lack of systems to measure talent management efforts
- Limited budget

Talent Management Best Practices

With these challenges in mind, it's important to establish best practices when establishing talent management processes. Such practices include:

- Aligning talent management objectives to overall business goals
- Evaluating current talent management processes
- Conducting talent gap analysis of the current workforce
- Establishing a talent pipeline
- Revamping recruitment, onboarding and employee development practices
- Monitoring and measuring performance

Employer Takeaways

While the best strategies will vary depending on the workplace, talent management is essential for any small business's success. Investing in talent management practices can help small businesses hire and retain the best workers, which can give them a strategic advantage.

10 EEOC Tips for Small Businesses

The Equal Employment Opportunity Commission (EEOC) is an independent federal agency created by the U.S. Congress in 1964 to eradicate discrimination in employment. The commission enforces various statutes that prohibit employment discrimination based on race, color, sex, national origin, religion, retaliation, age, and disability or protected veteran status. The EEOC has the authority to investigate charges of discrimination filed against employers who have a statutory minimum number of employees. The commission also provides employers with [resources](#) to help them stay compliant.

The following are 10 tips provided by the EEOC that small businesses can follow to avoid costly penalties:

- 1. Look at the facts, not the faces.** Race, color, religion, sex (including pregnancy, sexual orientation or gender identity) or genetic information (including family medical history) should not be a factor when small businesses hire, fire, promote, pay, train, discipline or make other work-related decisions.
 - 2. Provide reasonable accommodations.** If required by law, small businesses must provide reasonable accommodations to applicants or employees who need them for medical or religious reasons. There may be federal, state and local laws that prohibit additional types of discrimination or require employers to provide reasonable accommodations for other reasons.
 - 3. Develop a strong anti-discrimination policy.** Creating and maintaining an anti-discrimination policy can help small businesses stay compliant with federal employment laws and stop discrimination before it becomes an issue.
 - 4. Ensure employees know their workplace rights.** By helping employees understand and comply with workplace rules and expectations regarding discrimination, small businesses can help prevent issues that may result in discrimination complaints and limit their liability if a complaint arises.
 - 5. Be alert.** Keep an eye out for potential harassment or discrimination in the workplace.
- If employers become aware of any discrimination, they should take steps to stop, address and prevent it.
- 6. Create an open culture.** Ensure that employees are not punished for reporting discrimination, participating in a discrimination investigation or lawsuit, or opposing discrimination. Employers can do this by creating a culture where employees feel safe to report instances of harassment or discrimination.
 - 7. Post an “Know Your Rights” poster.** The law requires employers of a certain size to post a notice describing the federal laws prohibiting workplace discrimination and retaliation. Covered employers who fail to post these notices can be required to pay a costly penalty.
 - 8. Retain employment records.** EEOC regulations require employers to keep personnel and employment records for at least one year. Additionally, many federal employment laws have recordkeeping requirements that covered employers must comply with.
 - 9. File an EEO-1 Report.** Small businesses with 100 or more employees must file an EEO-1 Report with the EEOC annually. Some federal contractors with at least 50 employees must also file this report.
 - 10. Contact the EEOC.** Small businesses can contact the EEOC to request assistance, information or training. This can help ensure that employers comply with EEOC regulations and federal employment laws.

Employer Takeaways

Being familiar with EEOC regulations and resources can help small businesses avoid costly penalties and work disruptions. By following the tips outlined in this article, small businesses can take steps to ensure they comply with the most recent EEOC regulations. Employers should consider conferring with local legal counsel if they have any questions.

Reach out to Franconia Insurance & Financial Services for more workplace resources.