



# Small Business Bulletin

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## Year-end HR Activities

The last months of the year are a great time for small businesses to ensure they're prepared for everything that needs to be done. It's also an opportunity to evaluate which HR processes organizations want to take forward into the new year and which to leave behind. While certain HR compliance activities must be completed by the end of the year, small businesses can also use this time of preparation to focus on tasks that will set their organizations on the right course for next year. This article provides an overview of general, compliance-related, and employee compensation and benefits activities small businesses may need to tackle at the end of each year.

### General Activities

The end of the year is usually a busy time for small businesses. They must accomplish a lot in a relatively short period to close the year and prepare for the upcoming one. These tasks may include:

- Completing annual performance reviews
- Asking employees to update their personal and contact information
- Backing up HR data and personnel files
- Establishing an annual budget and allocating resources
- Reviewing recruiting and hiring processes
- Creating plans for new hires
- Update succession plans and job descriptions

### Compliance Activities

Year-end is an excellent time to review how well an organization is complying with current laws and regulations. To ensure organizations follow all applicable laws and regulations, small businesses can conduct a compliance audit. Common items reviewed during a compliance audit include the following:

- Employee classification
- Personnel files
- Employee handbook
- Employment policies
- Employment and labor law posters

As part of its audit, small businesses can update organizational documentation and policies yearly. They can also review employee documents, such as tax forms or beneficiary designations, to ensure they're completed properly and signed, if necessary. Before the end of the year, organizations can confirm employees have completed all required training and move terminated employee personnel files to storage. If issues are discovered during an audit, small businesses can ensure they're corrected before the start of the new year.

### Compensation and Benefits Activities

Organizations often review employee compensation and benefits at the year's end. Small businesses can compare employee salaries to the market average and consider making cost-of-living adjustments to stay competitive. It can also do the same for its benefits offerings. By conducting employee benefits surveys, small businesses can learn what benefits employees want and value most and then update or tailor benefits packages to enhance their attraction and retention efforts.

### Employer Takeaways

Year-end activities can seem limitless, which may leave small businesses feeling overwhelmed, and some tasks can be easily overlooked. By preparing early, small businesses can wrap up this year properly and set their organizations up for success next year.

## Attracting Employees for On-site Positions

Of 1,000 company decision-makers surveyed by Resume Builder, about 90% plan to implement return-to-work policies by 2024. Although there are numerous benefits to having employees work in person, such as improved company culture and increased opportunities for collaboration and relationship development, pressuring employees to return to in-office work can increase turnover issues and harm recruitment efforts. Small businesses that are hiring for on-site positions may struggle to compete with organizations that offer more flexible options for talented individuals. To avoid employee backlash and prevent attraction and retention issues, small businesses must develop policies that balance the cultural benefits of in-person work with employees' needs and wants.

This article guides small businesses to successfully attract and retain employees to on-site positions.

### Attraction and Retention Strategies for On-site Positions

Flexible working arrangements remain popular among employees. This can make attracting and retaining talented individuals challenging for organizations with solely in-person policies or positions. The following are practices small businesses can use to attract and retain in-person employees:

- **Give a compelling reason.** Data from the 2022 Microsoft Work Trend Index research showed that 73% of employees need a better reason to return to work than “company expectations.” When asked what would motivate them to return to the office, surveyed employees listed rebuilding team bonds (85%), socializing with co-workers (84%), seeing “work friends” (74%) and interacting with direct team members (73%). Small businesses can leverage the social benefits of working in person to improve employee engagement, retention and branding.
- **Accommodate employee needs.** Small businesses can manage employees' needs and desires for flexibility while encouraging in-

person work by providing generous paid time off and flexible work hours.

- **Focus on employer branding.** A strong employer brand can boost employee attraction and help small businesses better compete for in-person talent.
- **Use hiring as a tool.** Small businesses should communicate expectations of in-office work to job candidates and prioritize extending offers to individuals who are willing to work in person. Face-to-face onboarding can also improve the experience for new hires and might motivate other employees to return to the office.
- **Encourage work-life balance.** Emphasizing organizational values of work-life balance can attract employees to return to the office without making them feel like they must give up the freedom of remote or hybrid work.
- **Use incentives.** Small incentives, such as free food and office snacks, go a long way toward increasing employees' desire to work in an office. Small businesses can consider subsidizing employees' commutes and offering professional development opportunities in the office, such as training and mentorship opportunities.
- **Create a safe and authentic work environment.** Small businesses must ensure employees are physically and psychologically safe in the workplace. It's crucial that organizations engage in ongoing, two-way dialogue with employees to ensure that they can bring their full and authentic selves to work.

### Employer Takeaways

Recruiting, hiring and retaining employees for on-site positions can be challenging amid employees' calls for increased flexibility. However, small businesses can reassure employees that in-person work will positively impact them by leveraging company culture, work-life balance and career advancement opportunities. Small businesses that successfully leverage the benefits of in-person work for employees can make in-person positions stand out against comparative remote and hybrid positions and may experience improved employee satisfaction, engagement and retention.

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