Top 10 Employment Law Mistakes

Penny Miller, SPHR, SHRM-SCP, CEBS
WARNING!

Penny is NOT a lawyer!
Penny’s Top 10

• Assume common sense and the law are the same
• Don’t understand wage and hour
• Misclassify employees
• Interfere with employee concerted activity
• Poor selection, training and support of supervisors
• Don’t take employee complaints seriously
• Don’t worry about compliance
• Don’t know what laws apply to your business
• Don’t do/documented safety training
• Poor selection/oversight of outsourcing partners
Common Sense = The Law

NOT!
According to the Department of Labor, 70% of employers pay their workers incorrectly.
- Law is complicated
- 1938 statute doesn’t fit today’s workplace
- Most significant area of liability in employment law
  - Fastest growing area of litigation
Common Errors

- Misclassification (next)
- Permitting work without payment
- Incorrect calculation of overtime
- Improper deductions from pay
#3: Misclassification

- Independent contractors
- Exempt vs. nonexempt
Many employers assume with no union, you don’t have to bargain.
Employees have the right to work in concert on pay, benefits, conditions of work.
You cannot prohibit certain activities.
NLRB has issued many rulings strengthening employee rights.
#5 Supervisors

- High liability for the employer AND supervisor
- Supervisors are “the” leverage point for productivity, successful change efforts, employee engagement
- Different skill set
- What gets measured, gets done
#6: Complaints

- Pay attention now or pay later
- If not addressed may lead to government investigations, fines, lawsuits, loss of contracts, and at the very least, lawyer fees
- Complaints don’t have to be in writing
- A word about investigations
#7: Compliance

- I’m too small
- Small errors can mean big dollars
  - Ex. COBRA $110 per day per person
  - Ex. Wage and hour
- Audits: The good and the bad
#8: What Laws Apply

- The bigger you are, the more laws you have to worry about
  - If you are accepting responsibility for laws you don’t have to, it can cost you money
- If you are a federal contractor, the requirements are even higher
#9: Safety Training

- Employees must be trained before they work
- If it isn’t documented, it didn’t happen
- Employees are responsible for following safety guidelines, but they must have been trained on them
- Training is useless if you don’t enforce your procedures
#10: Outsourcing Partners

- Be clear about what you want done and the standards of performance
- Make sure the contract reflect your discussions/agreements
- Almost everything is still your responsibility, no matter who does the work
- Provide feedback
- Read the invoice
How to Keep Up

- Free weekly newsletter
  - No other emails
  - No one else gets your information
- Sign up [http://venturehro.com](http://venturehro.com) (or email admin@venturehro.com)
Penny’s Top 7

• Pay close attention to culture
• Have the right kind of HR
• Hire right
• Employees are not interchangeable
• Invest in your employees—especially your supervisors
• Listen
• Be fair (that doesn’t mean exactly the same)
Mailing Address: 3808-B Kemp Blvd #225
Wichita Falls, TX 76308

Phone: 940-867-9761
Fax: 940-293-1821
Email: penny@venturehro.com
Penny’s Top 10 Employment Law Mistakes

- Assume common sense and the law are the same
- Misunderstanding wage and hour
- Misclassifying employees (exempt, non-exempt, independent contractor)
- Interfere with employee concerted activity
- Poor selection, training and support of supervisors
- Don’t take employee complaints seriously
- Don’t worry about compliance
- Don’t know what laws apply to your business
- Don’t do/document safety training
- Poor selection/oversight of outsourcing partners

Penny’s Top 7 Best Practices

- Pay close attention to culture
- Have the right kind of HR
- Hire right
- Not all employees are created equal— they are not interchangeable
- Invest in your employees—especially your supervisors
- Listen
- Be fair (doesn’t mean exactly the same)