

# HR Guide for Success

How HR Works for Your Business



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# Introduction

In this comprehensive guide, we'll show you how HR can future proof your growing business

Attention UK **small** to **medium**-sized business owners and HR practitioners! In today's fast-paced business landscape, having HR on your team is not just important – it's essential for your business growth and stability.

In 2023, over half of all startups required some **HR assistance**, yet many smaller firms still lack this crucial support. With resource constraints and competing priorities, business owners like you are **constantly juggling** between product and service development, sales, marketing, accounts, managing your teams and other essential things. **Basically, you're trying to do it all!**

**But here's the thing - establishing HR early on isn't just a smart move – it's an imperative.**

HR is so much more than just paperwork and admin tasks. It helps your employees thrive, ensures business compliance, meets your employment and legal regulations, and safeguards the health of your company leaving you to do what you do best – grow your business!



**If you are ready to take your business to the next level, then this guide is for you.**

# Why Does My Business Need HR?

Understanding the **importance of HR** to your business is crucial. No matter how big or small your business, HR matters.



HR plays a role beyond just **hiring and firing**, enforcing policies or **managing rules**.

It creates a good atmosphere where everyone, including the business, can **flourish**. It makes sure your business values align with your workplace culture and how things get done in the office.

As your **business grows** HR helps you manage your obligations with **employee focused** policies, employment regulations, employee relations, pay and benefits, diversity and inclusion, all of which protects your business brand and future.

## HR is the backbone of your business.

HR doesn't just help you do what you're supposed to legally. It makes your business strong, flexible, and a good place to be which sets you and your business up for long-term success.

# Establish Your HR Team

Establishing an HR team in your business is a big decision that needs careful planning. Start by thinking **how** you'll grow your business, **what** people you'll need, their skills and experience, and **where** you'll find them.

These initial considerations will help you to decide what type of HR team you'll need.

Think about what tasks HR will need to handle. If your business is small you might start with just 1 person focusing on important jobs. As your business grows, you might need more people with expertise in hiring, training, and handling employee issues.

Consider which HR tasks your business can handle internally, and which ones may be better suited to outsource. Things like recruitment, training, policy making, employee relations, employee records, and long-term planning are good examples for outsourcing. To help you decide, think about your business goals.

**Do you really have the time and expertise required?**

**Do the costs of outsourcing outweigh the potential benefits you'll gain?**

Ultimately any decision you make will impact your business growth and efficiency

Good leadership is also essential to create and enforce policies and regulations that meet the needs of your business. It will also help bridge any gap between you, your managers and employees, making sure everyone feels valued, engaged and pulls together to help you drive business growth.



# Implement a Human Resource Information System (HRIS)

Putting a **Human Resource Information System (HRIS)** in place is a smart move that can really simplify your HR tasks in today's busy business world. As your company grows, an HRIS becomes really important, giving you one place to manage all your **employee data and records** and other vital HR stuff.

Your HRIS can help you with decision making, tasks can be done automatically, and everything is kept organised. This saves you time and money, so you can focus on growing your business instead of paperwork.

When **choosing an HRIS**, think about **how big your business** will become and what the system will need to do. There are so many options to choose from so think about how many employees you'll have and of course, your budget. Look for **features** that let employees do things for themselves, **such as:**

Checking their  
Work Schedules

Updating their  
Personal  
Information

Booking  
Holidays

Updating  
Bank Details

Adding Home  
Address

It should also work well with things like managing payroll, viewing payslips, creating **job boards**, **onboarding** and **tracking performance**.



HRIS set up involves a bit of planning, moving data, teaching people how to use it, and keeping it running smoothly.

Get everyone involved in choosing the right system, making sure you have clear goals for using it. Move your employee data into the new system carefully and make sure everyone knows how to use it.

The system will need to be kept updated and supported.



# Develop HR Policies and Procedures

## Recruiting and Onboarding

As a growing business, good recruiting and onboarding processes are vital. Getting it right means you're not only attracting the right talent, with the right skills and attitude, but you're also setting the right tone for your business, shaping its culture and ensuring new employees have a great start!

Here's what you should think about:

- **Understanding the job:** Make sure you know exactly what skills and qualifications are needed for each job. Create job descriptions for each role outlining responsibilities, qualifications, and skills needed for each position.
- **Finding the right candidate:** Think about what strategies and channels you'll use to hire people. This might include job websites, social media, recruitment agencies, career fairs or asking your current employees if they know anyone.
- **Writing job adverts:** Use the job description to write job adverts that encourages the right people to apply. It's important to make sure your adverts are fair and follow the rules.
- **The interviewing processes:** Think about how you'll carry out interviews. Who'll be involved, what kind of questions you'll ask, how you'll make sure everyone is treated fairly so your business is valuing inclusivity and diversity?
- **Making offers:** When you have found the right person how will you make the job offer and how you'll talk about salary and benefits?
- **Checking their backgrounds:** You must check things like work history, education, references, criminal record, and the right to work. This is an important area of compliance, with relevant privacy, anti-discrimination, and data protection laws, that have to be followed and documented by every business in their recruitment policy and procedures.
- **Welcoming new recruits and onboarding:** Think about how you'll help your new recruits get started and transition smoothly into your business, complete the necessary paperwork, orientation, training, and introducing them to their new team and company culture.
- **Learning and improving:** After you've completed the recruitment process think about how it went and if there are things you could do better next time. Remember to update your policy and procedures to reflect any changes.

# Develop HR Policies and Procedures

## Payroll and Benefits

To keep your employees happy and engaged within your business it's important to have good payroll and benefits in place. These are key parts of HR and affect how satisfied your employees are and how long they'll stay with your business.

- **Create a reliable payroll system:** Make sure employees get paid the right amount on time. It should manage taxes and other deductions, sort out the reporting and the correct legislative filings in a timely manner.
- **Have a competitive salary plan:** Ensure fairness across your business. Look at what other comparable businesses pay for similar roles to make sure your salaries are competitive in both your industry and across job roles.
- **Offer a comprehensive benefits package:** Include things like health insurance, flexible working, wellness programmes and pensions. These perks can make your business more attractive to potential and current employees.





# Develop HR Policies and Procedures

## Employee Records Management

Your employee records management policy needs to explain how you'll handle and protect employee records and information. It's vital to keep this data safe, private, and follow the law. Think about:

- **What information is included?** Your employee data and records will tend to hold information such as names, addresses, job history, salary, how well they're doing at work, and what training they've had.
- **Who it applies to?** Everyone who works in your business including employees, managers and anyone else who handles employee records.
- **How you'll manage the records?** Your employee records must be kept private and confidential, accurate and up to date.
- **How you'll keep them secure?** It's essential only authorised people can access your employee records and that disciplinary action could be taken if the rules are not followed.

- **How you'll dispose of the records when you don't need them anymore?** Safely and following the rules and in accordance with regulations and retention schedules. You must check your policy regularly to ensure it's working and following the law.



# Develop HR Policies and Procedures

## Health and Safety

Laws and regulations, like the Health and Safety at Work Act etc. 1974, make sure employers protect their workers from work related dangers. As you grow your business and your team, it's important to follow health, safety and wellbeing rules to keep your employees safe. Here's what you should consider:



- **Learn and understand your obligations** as a business and as an employer under health and safety legislation, including the Health and Safety at Work Act etc. 1974, and any others that are specific to your industry.
- **Regularly assess any risks in your workplace** to find problems, understand the dangers and take steps to prevent accidents.
- **Create clear health and safety rules for your workplace** define health and safety roles and set up ways to report and solve safety issues.
- **Train every employee how to stay safe at work** so they are aware of workplace dangers, the emergency procedures, and their responsibilities for safety.
- **Regularly review your safety rules** and make sure everyone is following them. This might include doing audits, inspections, and talking with your employees to find and fix any problems.

# Develop HR Policies and Procedures

## Performance Management

Making sure your employees do their best work is really important for your business to grow. Create processes for how you'll set, review and measure performance, provide feedback, and address performance issues or concerns.

- **Discuss and agree specific goals** for each employee that match with what your business wants to achieve and document them.
- **Have regular meetings** to see how well your employees are doing. This could be every year, every six months, or even more often. These meetings can help you set new goals, give helpful feedback, and spot any problems.
- **Help your employees** make plans to get better at their jobs and grow in their careers. This might mean learning new skills or moving up the ladder. When employees feel like they're growing, they'll be happier and work better.

## Training & Development

- **Offer your employees opportunities** for training and professional development to enhance their skills and knowledge. Training can lead to improved job performance and productivity which can ultimately contribute to the growth and success of your business.
- **Your policy should outline** the training opportunities available to your employees so they can acquire new skills and knowledge relevant to their roles. These can include workshops, seminars, online and on-location courses, mentorship programmes, and cross-functional training. The policy should also outline how employees can apply and how the costs and expenses will be managed.



# Develop HR Policies and Procedures

## Employee Relationships

Your business growth will be predicated on having strong relationships with your employees, building community and a shared purpose.

Having clear guidelines for managing employee relations, resolving conflicts quickly and promoting a positive and engaging work environment can determine how long your employees will stay. This is especially important in smaller businesses where everyone knows each other well.

The key things to consider:

- **Encourage open communication:** Having regular chats with employees, encouraging feedback sessions, and keeping your doors open so everyone feels welcome and heard.
- **Build community and a workplace that reflects your business values:** Organise regular social events, team-building activities, recognising and celebrating individual achievements. Resolve conflicts quickly and fairly and make sure everyone knows the rules.
- **Support growth and help employees grow professionally and personally:** Offer training, mentorship, and educational opportunities to help nurture their career goals. When employees feel supported in their goals, they'll be more committed to you and support your ambitions for business growth and success.



# Develop HR Policies and Procedures

## Leaving the Business

Make sure you have clear procedures for managing leavers that ensures a smooth and respectful exit for both the leaver and the team.

- **Create an offboarding checklist** and use it to track all the things that need to be complete before your employee leaves the business.
- **Make sure your employees know** how to submit their resignation and their notice period.
- **Exit interviews** will help you understand why your employee is leaving, their experiences and their suggestions for improvement.
- **Finalise any paperwork** like timesheets, any final salary and benefits that need to be adjusted and inform the relevant authorities. Don't forget to take back any company property including badges, keys and any other assets.
- **Facilitate any knowledge transfer** and handover documents.
- **Arrange a farewell party**, if appropriate, to wish them well and add them to the alumni network!



# Develop HR Policies and Procedures

## HR Compliance and Audits

As your business grows having company policies and procedures that align with legal requirements and industry best practices, and importantly, that your employees adhere to them, becomes increasingly important.

- **You'll want to make sure your business follows the rules, stays trustworthy and is ready for audits.** These can help catch small problems before they turn into big ones. Stay updated on the latest rules for things like recruitment, tax, and health and safety. Keep your HR documents organised and accurate, including training materials, payroll information and employee records. Good record keeping makes audits easier.
- **Regularly check your HR procedures and policies to make sure they're working well.** Include things like how you recruit your employees, manage payroll, and handle benefits. Make sure everyone in your business is aware of the compliance rules, especially your management team, as this reduces the chance of accidental rule breaking.

- **After each audit, plan to fix any problems you find.** This shows that you're serious about following the rules and will resolve any issues as quickly as possible. Being ready for audits helps your business stay honest and reliable in the HR work it's got to do.





# Create an Action Plan

Creating a detailed action plan is a crucial first step in achieving your HR goals. It helps you work towards your vision for growth and ensures you have clear and measurable goals, like improving performance or recruiting new employees.

**List all your goals and prioritise** them based on their importance and how quickly you can **achieve** them. This can help you manage both short-term wins and long-term **objectives efficiently**. Also, list the time, money, and tools needed for each goal to make sure you have everything you need.

Set **realistic deadlines** for each HR task and make sure you're on track by regularly checking your progress.

You might need to adjust your plan based on **feedback from employees** or changes to your business. A solid action plan sets the stage for HR to help your business grow.



# Conclusion

As your business grows, the need for HR, to manage people and ensure compliance with regulations, becomes increasingly crucial. HR serves as a trusted partner, allowing business owners to focus on what they do best – **growing the business** - while HR focusses on what it does best - people management.

HR goes beyond recruitment and policy enforcement. It creates an environment where **employees and the business** can thrive. It aligns corporate principles with workplace culture. It manages compliance with **various policies**, protecting the business's brand and future.

**Ultimately, investing in HR ensures legal compliance and fosters a resilient, dynamic, and ethical corporate environment essential for long-term success.**





Are you ready to find out more?

Contact us today to see how we can help you grow  
your business and take it to the next level.

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