

# ***HR Department Checklist for Start-ups***

## **HR Policies**

Setting up an HR department in a small company is about creating policies, plans, and processes to take care of your business's short-term needs and mitigate long-term risks. Solid HR policies make for a better employee experience and limit your company's liability.

Key Policies are:

- Recruitment and On-boarding.
- Code of Conduct.
- Grievances and Appeal.
- Termination.
- Performance Management.
- Compensation and Benefits.

## ***Organizational Design and Org Chart***

Your start-up doesn't need to have a structure like big corporations. General rule of thumbs:

- Think Lean; Flat and Agile structure.
- Multiple Hats.
- Job based (not person based).
- Define Clear Accountabilities.

## *Compensation and Benefits*

Now that you've created your hiring process, you'll want to know how to keep employees with your company for the long haul. Ensuring that your company establishes competitive compensation and benefits can help you get there. In order to establish these plans, you'll need to determine what your pay structure looks like, as well as policies for vacation and sick time, retirement benefits, and what system you will use to manage payroll.

- **Pay structure:** Determine a company pay structure that is competitive and fair based on an evaluation of your market. Learn how to create a competitive pay structure in a changing economy.
- **Benefits:** Some benefits are voluntary, and some are required by law. You need to have a mix of both.

An idea:

### **Flextime:**

Flexible scheduling, or flextime, is available in some cases to allow employees to vary their starting and ending times each day within established limits. Flextime may be possible if a mutually workable schedule can be negotiated with the supervisor involved. However, such issues as staffing needs, the employee's performance, and the nature of the job will be considered before approval of flextime. Employees should consult their supervisor to request participation in the flextime program. When applied, the schedule may be flexible provided that the employee works for 40 hours a week or 160 hour a month.

### **Compressed work week:**

With the consultation and approval of the manager, employees can apply for a compressed work week which gives them the option to work 2 extra hours every day to earn the fifth day as a day off.

### **Early leave on Thursdays:**

Managers may reward their employees for their good performance in a given working week by allowing them to leave work earlier than usual on Thursdays. Managers will take into considerations the nature of the job and the demands in that particular week in order to ensure business continuity.

# ***Performance Management***

- Performance Management is the mean of achieving high levels of performance in the Company by understanding and managing Employee performance at all levels within an agreed framework of planned goals, objectives and standards.
- The Performance Management system is a continued process during which objectives are set, progress is assessed, and ongoing coaching is provided so that Employees meet their objectives and career goals.
- The Performance Management System and process shall be fair, transparent and objective to all Employees' and shall give inputs for decisions relating to Incentives, Promotions and Career Progression.
- Setting yearly targets shall be driven by conversations between Line Manager and the Employee.
- Targets/objectives need to be agreed by the supervisor and the Employee. In case of disagreement the Manager one level higher than the Line Manager should be involved and he/she must mediate between the parties to achieve a consensus.
- Performance Appraisal must occur annually, with one mid-year check point as a minimum during each annual cycle.
- Objectives can be changed depending on various factors.