

Staff Matters Series Building Your Competitive Advantage

We've all heard the buzz words circulating in the business world these days: human capital; emotional intelligence; workplace diversity; and recruitment & retention. How do these words (and their corresponding practices) relate to your small business? In this informational series of articles, you will learn how and why to apply sound HR practices to your organization, as it is now and as it may be in the future. Since we cannot be all things to all people as small business owners, these articles will also give you advice and guidance on where to go to seek information and assistance for your human resources needs.

You might be wondering why you should bother with human resources management when you are a team of "me, myself and I", but the more information you gather for your toolbox, the better prepared you will be to deal with growth and change in the future. By building your infrastructure now, you will be ready to face the latest challenges emerging from today's workforce, when the time comes.

Human Resources Management is really just the people side of business. Formally, it is "The activities, policies, and practices involved in obtaining, developing, utilizing, evaluating, maintaining and retaining the appropriate number and skill mix of employees to accomplish the organization's objectives¹." Whether this means one employee or 100, you, as a small business owner, need to be aware of government legislation and compliance. The excuse of "I didn't know" simply doesn't cut it in the world of employment and labour laws. Don't stress too much about it though, it's really not rocket science, just good practical sense and having a bit of knowledge under your belt.

For example, did you know that as of January 1st, 2004, you must comply with the federal government's personal information and protection act (PIPA as it is affectionately known)? The Act protects individual privacy by requiring private-sector organizations to obtain consent for the collection, use and disclosure of personal information of its employees and of its customers. Not a widely understood or recognized Act, it would be a very wise thing for you as a small business owner to learn more about what it means to be in compliance. Even a simple thing like asking for references from a potential employee, requires you to obtain written permission from each candidate.

You can and should take the temperature of your current state of HR affairs and determine areas that need development by conducting an HR Audit. For all businesses, there are several core areas that need to be addressed in order to mitigate your risks such as:

- a. policies and procedures that align with your company's vision
- b. recruiting and retention practices
- c. competitive compensation and benefits strategy
- d. compliance with applicable federal and provincial employment laws
- e. privacy of records; and
- f. employee relations and performance management.

All of these topics will be addressed in future articles with tips, advice and guidance on how to build the HR framework you will need. Every business is different, and there will be some areas that are more relevant to you than to someone else.

Human Resource management is not meant to complicate the lives of small business owners. Whether your employees “live to work, or work to live” they generally want the same things as you do, a respectful work environment, trust in their abilities and a chance to grow and learn. With solid HR management you can achieve the kind of environment where your people are happy to come to work every day and want to do a great job for you, giving you the competitive edge. Effective human resources practices will drive your business outcomes, help you to attract and retain the most desired workers, and form a culture of trust, respect and productivity. If you are performing the HR function yourself, you should know everything you can about building a positive workplace climate.

Diana Alexander, of Elite Beauty Group Inc. in Terrace, BC has grown her business from a one woman shop to many employees and keeps a strong team through regular meetings, discounted products and services and free training for staff. To maintain the strength of her team, she plans to complete an HR manual or employee guidebook, plan team building exercises, and use performance management for her employees.

Diana has also been quite successful with hiring new staff members, as her own employees regularly give referrals. She says, “Our existing staff like to hand pick their fellow team mates.” That’s a great start to achieving a positive workplace culture and the referral method of recruitment is one strategy that can work in today’s tight labour market.

Whether you hire full-time, part-time employees or simply occasional contractors or consultants, how you treat people will reflect positively on your business. Don’t forget, you will also be protecting yourself against the possibility of getting caught in a human rights violation, if you already have all your ducks in a row.

To get you started on the road to good HR practices, you should familiarize yourselves with the Employment Standards Act. Bookmark this site on your computer desktop: http://www.qp.gov.bc.ca/statreg/stat/E/96113_01.htm. This will get you directly to B.C.’s Act and will be a great resource for you. You can also call The Queen’s Printer at 1-866 236-5544 to get a paper copy of the guide. There are lots of on-line resources to help guide you including the B.C. Human Resources Management Association, which has a weekly newsletter chalk full of good information. Visit their site at www.bchrma.org and take a look through the Resource Centre.

The next article in this series will focus on “Hiring Smart”, with tips on the value of behavioural style interview questions for finding out what you really want to know about your candidate’s abilities and personality traits and how to match those with your company’s goals and values.

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