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# 5 Reasons why you need HR in your life

by Chris Smith | CEO of Happy HR

Ensuring your HR management is on point is highly essential to optimising your business for growth and success. Having the right HR processes and performance management procedures in place is not only a smart way to begin a business relationship with your employees, but it is actually required by the Fair Work Act 2009 (Cth). Just in case you didn't already know why, below we highlight 5 reasons why you need HR in your life:

## 1 Because the Law says so

**FACT:** The Fair Work Act 2009 (Cth) requires all employers to have legally compliant HR policies and procedures in place. HR policies allow an organisation to be clear with its employees about what is expected of them. By having HR policies in place you will have a reference point to enable you to effectively govern the values and goals of your organisation. Not having these documents in place could make an employee feel that you are unjustly performance managing them, and you could end up in hot water or in Fair Work.

## 2 So your employees know how to be successful and win in their roles

Most companies have wishy washy position descriptions that list a whole bunch of roles and responsibilities but no real metrics around what success looks like in the role. In most cases people start in a role and never see or review their position description again! Ensuring you have clear and current position descriptions in place that cover all the activities required to achieve your goals will give you a greater chance of reaching your company's strategic objectives.

## 3 To effectively manage performance and get the most out of your staff

As a manager/business owner you have an obligation to provide your underperforming employee with the opportunity to improve, and to assist them in achieving success. By establishing a plan, you are able to clearly outline what the employee needs to do to develop further and achieve their professional goals. Both parties must mutually agree on what needs to take place to achieve these professional goals so both parties are aware of what their obligations are to ensure this is achieved.

Each goal should be Specific, Measurable, Action-orientated, Realistic and Time bound. (S.M.A.R.T) S.M.A.R.T goal plans should be used to develop an individual who is not meeting the performance indicators as stipulated in the employee's Position Description.

Working closely with your employee to ensure that they achieve the set out S.M.A.R.T goal plan will result in improved employee engagement, optimised business performance and significantly reduced employee turnover.

Remember having to replace an employee can cost up to 35% of an employee's annual salary and can significantly impact workplace culture.

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## 4 Because you can increase employee performance & engagement without a pay rise

Tonnes of research has been undertaken to identify what it takes to have an engaged and committed workforce, and in all of this research one of the common indicators is DEVELOPMENT.

Many companies lose great employees because they do not offer them a career path or a path for professional growth. People want to be a part of something, but if they are not challenged and are not developing their skills they will eventually leave and can leave behind pessimism and negativity, which is a cancer to any business.

This is why you need to have clear development plans for your staff so they know where they are, where they can go and how you and your business in conjunction with their effort are going to get them there. It is about investing in your staff just as they are investing their time and effort into you.

## 5 Because first impression is always last

As the saying goes you never get a second chance to make a first impression, and this also applies to inducting new staff into your business. New employees should understand and agree to their position description, employment contract, and HR policies before their first day at work so there is no question around what is expected of them. By not inducting staff according to best practice HR principles you risk starting the relationship off on the wrong foot.

Employers need to remember that they have an obligation to their employees as they do to their customers to get the experience right. For customers it's called brand loyalty and for employees it's called your employment brand.

There are many great businesses with fantastic employment brands competing in the same space as you for quality staff. For this reason, it is essential that if you are looking to employ and retain talent, you must provide your staff with a great employment experience, as great staff drive results.

We all know that happy staff = happy customers which = increased productivity and growth for you. Very few business owners know how to achieve this nirvana, which is simple enough if you focus on strengthening your HR policies, performance management framework, and employment brand as outlined above.

Want to improve your employee performance? [Watch this video](#)

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