



TEST YOUR HR RISK 101 KNOWLEDGE

9 HR RISK MANAGEMENT

QUESTIONS EVERY BROKER

SHOULD BE ABLE TO ANSWER

Good HR is risk management. **Knowing the right questions to ask and why they are important is essential** to uncovering potential risk. So, here's the test: Can you answer these top HR risk management questions for your clients?

Q1

Should my clients have a data protection policy? How can it be implemented?

Why it matters: Brokers have the opportunity to help clients mitigate risk by both selling cyber liability policies and putting in place internal human resources policies and employee cyber training to reduce potential claims exposure to data breaches and other data privacy concerns.

What to do about it: Provide best practices on implementing employee data security plans to show your clients that you go beyond just selling them insurance; you're dedicated to making their entire business successful.

Q2

Do my clients have clearly defined employee classifications (i.e., full-time, part-time, temporary, short-term, exempt, non-exempt, regular employee, independent contractor)?

Why it matters: One word: Uber. Incorrectly defined employee classifications can affect your clients' policies, Affordable Care Act (ACA) exposure, compensation budgets and even their ability to stay in business. It can expose businesses to a bevy of mandatory penalties, wage payments and recouped premiums, not to mention negative employee relations. The Department of Labor regulations establishing the exemptions to minimum wage and overtime also apply here. Clients will lean on you to make sure employee classifications for benefits eligibility are correct.

What to do about it: Provide your clients with the information and tools to audit job classifications regularly to ensure they stay compliant.

Q3

What impact does the ACA have on my clients and their employees?

Why it matters: Employers often turn to brokers for answers on compliance with the ACA, and you need to be ready. In addition to having advice about the ACA's impact on group health plan provisions, the play-or-pay rules, and reporting requirements, it's critical to keep up to date about Congressional action, judicial rulings, and changes in regulatory guidance.. Having the latest information available to you and your clients is a great way to demonstrate your knowledge and show added value for your clients.

What to do about it: What better way to equip yourself than by having experts provide you with that information in "plain English" so you can expertly guide your clients or have that team answer client questions on your behalf? Consider investing in an HR hotline and knowledge base so you can focus on what you do best — winning and retaining business. Even better, make sure that the HR and compliance answers solution is also accessible on a smartphone and includes ACA education (like ThinkHR's solution).

Q4

Do my clients have the necessary HR processes and documents in place to minimize their legal exposure and ensure compliance?

Why it matters: It's often the unknown legal rules and requirements that can cause employers problems. Missing a filing deadline, not keeping accurate and up-to-date employee files, maintaining out-of-date policies after laws change or implementing employee rules that set dangerous precedents—these items can create legal challenges later. But this is also about mitigating risk, because, while not always mandatory, maintaining clear documentation about issues such as safety training, progressive discipline, performance standards and compensation plans can help lower the possibility of an EPLI claim.

What to do about it: Go the extra mile by not only ensuring your clients are compliant under the law, but also by helping them avoid lawsuits with solid HR practices and processes.

Q5

Does my client have an up-to-date, state-specific employee handbook?

Why it matters: While employee handbooks are not legally mandatory, it's good practice to have them. They set employee expectations, and employers can depend on the policies within the handbook to lessen the risk of a range of lawsuits from discrimination to wrongful termination.

What to do about it: Give your clients an easy way to create up-to-date, state-specific employee handbooks with pre-built policies, empowering them with best business practices without investing too much time or money. ThinkHR offers an employee handbook builder solution that covers all 50 US states.

Q6

Are my clients getting all the required and elective training needed to be compliant in the states where they operate?

Why it matters: Some states require sexual harassment and discrimination training as well as safety training—and your clients often need guidance on the requirements.

What to do about it: Brokers are a natural fit to provide this type of compliance guidance, and it affords you the opportunity to offer a wider range of solutions, such as online training. Here again, ThinkHR has a comprehensive online training solution that covers the full range of HR, compliance and employee productivity training courses and specially curated educational assets.

Q7

Is every employee working with an up-to-date job description?

Why it matters: Accurate job descriptions serve as information to set employee expectations and compensation standards and provide data to determine reasonable accommodations for disabled employees. Out-of-date job descriptions create problems with performance standards and can leave employers open to discrimination claims.

What to do about it: Help your clients audit this information to control risk, avoid litigation and demonstrate your commitment to helping their businesses thrive.

Q8

Do my clients have a process for managing the employee communication and administration of leaves of absence, including their return-to-work protocols?

Why it matters: Federal leave and disability protection laws, coupled with each state's leave rules and workers' compensation requirements, can be really tricky. When an employee is covered under several of these rules at the same time, employers may miss notification and designation requirements and be subject to penalties. You are likely already selling clients their workers' comp policies, but how are you assisting them after the sale?

What to do about it: Provide more service and support in ensuring that your clients understand the various leave requirements that will mitigate risk and make sure certain claims are processed timely by ensuring clients have good processes for managing leaves of absence. ThinkHR provides expert HR guidance through the Live hotline to help your clients navigate through these rules, training to understand leave and disability rules and helpful checklists and policies to manage these leaves.

Q9

Do you know what types of personnel records my clients need to maintain in their files?

Why it matters: Proper record keeping is important for auditing purposes as well as providing the necessary back-up documentation when employment practices are challenged. Ensuring that personal health information and other sensitive data is protected and secured can prevent claims of privacy breaches.

What to do about it: Assisting your clients in creating proper control systems and procedures will go a long way in establishing your value and expertise.



Looking for a solution to
minimize risks for your clients?