



The Five Biggest HR/Payroll Issues Facing the Construction Industry: Where Does Your Company Stand?

If your construction company has been managing its human capital the same way for years, you may be falling behind. Human resources and payroll matters change regularly, especially for a labor-intensive industry like construction.

One common mistake is to focus solely on federal employment and workforce regulations, when state and local jurisdictions often have their own set of unique requirements. Beyond regulatory compliance, however, construction companies need to stay on trend with the needs of a new and expanding workforce in order to be considered an employer of choice and attract top talent.

RKL's Human Capital Management team rounded up five key areas of HR and payroll impact on the construction industry and offer questions to help builders take stock of their HR function. Contact your RKL advisor to turn your responses into an improvement plan for these critical issues.

Employee Handbook >

Have you reviewed and updated your employee handbook within the last year? Regulatory guidance and compliance requirements change regularly at the federal, state and local levels. Managing expectations of you as an employer and your employees drives greater accountability and makes your workforce stronger.

- Is your handbook updated for new sick and family leave requirements?
- Have you updated the new provisions outlined by the Equal Employment Opportunity Commission (EEOC) and Occupational Safety and Health Administration (OSHA)?
- Are your workplace attire policies gender neutral?
- Do you have a vaccine policy and is it compliant with EEOC and the Americans with Disabilities Act (ADA)?
- If you have employees working remotely, is your policy current and relevant?
- Are you properly displaying all applicable and timely labor law posters?

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Recruitment, Applicant Tracking and New Hires >

Your employees are a direct reflection of your company's quality and values. Ensuring employees have the skill, talent and training to be effective in their job will help attract and retain customers. To get the best talent, you need to distinguish your construction company as an employer of choice and have a recruitment plan that vets the right candidates.

- Does your job requisition process involve the correct stakeholders?
- Are you certain your wage and benefit packages are competitive with the construction industry and region?
- Are you recruiting in the right place for the right people?
- Are you selling your company culture and benefits?
- Do you review job descriptions annually to ensure they match the role and work performed?
- Are you sure your recruitment and applicant tracking process is not discriminatory?
- Is your applicant response timely and efficient?
- Are the interviewers trained on proper and compliant interview techniques?
- Are your applicant assessments meaningful?
- Are new hires engaged and provided with the tools they need to be successful on their first day?
- Is the new hire onboarding process documented and efficient?
- Are you using the most recent Form W-4, I-9 and state and local required documents? Are you ensuring accurate and timely completion by new hires?

Workforce Management >

Your workforce is the heart of your company, so you need to manage it wisely. Have you reviewed your workforce management policies, procedures and document requirements? Adhering to current workforce needs will improve production, customer service and employee engagement. Staying compliant with current forms and guidelines will protect the employees and the company.

- Do you have the right human capital management team in place? Do they have a seat at the leadership table?
- Are you confident you would pass an I-9 audit and e-Verify procedure review?
- Do you adhere to record keeping and retention schedules? Are these timetables current?
- How seamless and transparent is your harassment complaint and investigation process?
- Is your disciplinary process effective, clear, documented, transparent and administered consistently?
- Do your policies and procedures adhere to the requirements of collective bargaining agreements and prevailing wage jobs?
- Is your performance management process designed to encourage employee engagement and productivity rather than punitive narratives?
- Do employees understand how their role contributes to the strategic plan of the company?
- Are you protecting employee information?



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Workplace Safety >

A fundamental requirement of each business is to provide a safe workspace for employees. Showing your commitment to maintaining a safe workplace will demonstrate concern and respect for employees. No one wants to be where they are not safe.

- Do you have an epidemic response plan?
- In the last year, have you reviewed and tested your disaster recovery and business continuity plan to ensure its effectiveness? Is it compliant with your insurance company requirements?
- Does your Safety Committee meet regularly and actively engage in injury prevention and investigation? Are you taking advantage of the workers' compensation discounts available?
- Is your drug testing policy and response consistent, holistic and transparent?
- Are your injury reporting, workers' compensation and Family Medical Leave (FMLA) procedures compliant, current and understood?
- Are your training requirements current, relevant and tracked for participation? Does your training requirement program include diversity and harassment prevention?
- Do you have a training program that outlines emergency response (active shooters, shelter in place, response to medical emergencies such as injuries, heart attacks and overdoses, etc.)?

Wage and Hour >

The construction industry has special workforce nuances when it comes to wage and hour laws. Wage and hour mistakes can be costly litigation events and will damage your reputation as an employer. Not only will wage and hour compliance help you avoid expensive claims, paying your workforce correctly also demonstrates your commitment to employees and the industry.

- Are you calculating and reporting prevailing wage information correctly?
- Do managers and leaders understand the relevant wage and hour laws?
- Are employees and managers signing off on timesheets?
- Are you compensating correctly for travel time?
- Are the fringe benefits (auto fringe, tuition reimbursement, gift cards, etc.) added to wages and taxed correctly?
- Are you sure your on-call time is being paid correctly?
- Are you compliant with including bonuses (on-call, attendance, etc.) in the overtime pay calculation?
- Are you including all payments to employees in their wage history?
- Are the deductions from employee pay compliant with federal, state and local limitations and requirements?
- Is your process for handling wage garnishment responses timely and calculated correctly?

Ready to build a strong foundation for workforce management?

Schedule an HR assessment with RKL. Our advisors will evaluate your current state, identify priorities and develop an action plan. Visit rklcpa.com and use the contact form to start the conversation.

