

What is “Human Resources” (HR)?

A detailed survey performed by the Society of Human Resource Managers (SHRM) and The Bureau of National Affairs (BNA)* concluded that businesses with less than 250 employees will spend on an average of \$1,602 per employee per year, in time (wages) or fees, on 55 key HR activities. It was also evident from the survey that, the smaller the company, the higher the cost of human resource administration per employee.

*SHRM-BNA Survey No. 67, July 1, 2002

For an estimated cost of the time and/or fees of total HR administration in your company, simply check off which of the HR Functions below you currently perform. Additionally, enter how many employees you have, along with the average hourly wage associated with Administrative time spent on HR, and Owner/Manager time spent on HR. Our company will input this information into a database that will compare your performed HR Functions to average costs associated with each at other companies. While this is obviously not an exact science, due to the possibility of employment conditions varying widely, it will provide a conservative, eye-opening initial estimate from which you can start to plan improvement strategies and a higher return on your investment in Human Capital.

Company Name: _____

Number of Employees: _____

Average Administrative hourly wage associated with HR Administration: _____

Average Owner/Manager (hourly) wage associated with HR Administration: _____

Current | Discuss /
Function? | Interest?

Employment and Recruiting				
1	Employment Interviews	Application compliance, Job Descriptions, Administrative phone / initial interviews, Owner/Manager final interviews, ADEA, ADA, EEO	<input type="checkbox"/>	<input type="checkbox"/>
2	Recruiting	Ad Design / Placement, Job boards, Resume reviews, Background verifications, Agency fees, Application Compliance, Employment Agreements, Confidentiality Agreements, Non-Competes, DFWA, ADA, EEO, Cost-per-Hire Analysis / Control	<input type="checkbox"/>	<input type="checkbox"/>
3	Temporary Labor Coordination	Administrative coordination time, Temporary Labor Budget management	<input type="checkbox"/>	<input type="checkbox"/>
4	Pre-employment testing (non-drug)	Cost of actual tests, Benchmarking, Administration time, EEO	<input type="checkbox"/>	<input type="checkbox"/>
5	College Recruiting	Job fair fees, Time spent at events	<input type="checkbox"/>	<input type="checkbox"/>
Training and Development				
6	Orientation of New Employees	Administrative new hire paperwork - PRWORA, DFWA, IRCA / I-9, W-4, Insurance coverage Acceptance / Waivers, Documentation of Handbook review / receipt, Owner/Manager orientation time	<input type="checkbox"/>	<input type="checkbox"/>
7	Performance appraisals - for management	Goal Setting Strategies, Probation Documentation, Owner/Manager time writing reviews, Meeting time with employees	<input type="checkbox"/>	<input type="checkbox"/>
8	Supervisor training / Management development	Development / Training Seminars	<input type="checkbox"/>	<input type="checkbox"/>
9	Performance appraisals - non management	Goal Setting Strategies, Probation Documentation, Owner/Manager time writing reviews, Meeting time with employees	<input type="checkbox"/>	<input type="checkbox"/>
10	Skills training - non-management	Training seminars, Productivity analysis	<input type="checkbox"/>	<input type="checkbox"/>
11	Tuition aid / scholarships	Employee Classes	<input type="checkbox"/>	<input type="checkbox"/>
12	Career planning / development	Owner time working with Managers, Goal Setting	<input type="checkbox"/>	<input type="checkbox"/>
13	Productivity / quality enhancement programs	Typically Consulting Fees	<input type="checkbox"/>	<input type="checkbox"/>
Compensation				
14	Wage / Salary administration & research	Administrative time and analysis, FLSA	<input type="checkbox"/>	<input type="checkbox"/>
15	Job Description Updating	Administrative time assessing / documenting / updating written job functions, ADA	<input type="checkbox"/>	<input type="checkbox"/>
16	Payroll administration	Typically fees (regular plus special and year end) paid to payroll service (FLSA, IRS, CCPA, FICA, Garnishment Liability / Processing)	<input type="checkbox"/>	<input type="checkbox"/>
17	Job evaluations	Administrative time evaluating person(s) for the job(s), ADEA, EEO	<input type="checkbox"/>	<input type="checkbox"/>
18	Job analysis	Owner / Manager time evaluating individual job functions, ADA	<input type="checkbox"/>	<input type="checkbox"/>
19	Executive compensation	Typically Consulting Fees	<input type="checkbox"/>	<input type="checkbox"/>
20	Incentive pay plans	Owner/Manager time developing (Goal Setting) and implementing	<input type="checkbox"/>	<input type="checkbox"/>

Benefits				
21	Vacation leave policies & administration	Administrative time	<input type="checkbox"/>	<input type="checkbox"/>
22	Insurance benefits administration	Monthly administration, Field Employee Questions / Issues, Annual shopping / comparing options / negotiating, Annual Open-Enrollments, ERISA, TEFRA, COBRA, HIPAA	<input type="checkbox"/>	<input type="checkbox"/>
23	Unemployment compensation	Quarterly filing administration (SUI), Actual time with claims administration, Attendance at hearings, FUTA administration, Experience Rate verification / negotiation	<input type="checkbox"/>	<input type="checkbox"/>
24	Retirement plan administration	Typically Annual Fees to administrators - IRS compliance, Form 500 filing, Discrimination Testing	<input type="checkbox"/>	<input type="checkbox"/>
25	Flexible spending account administration	Typically Fees to administrator (IRS compliance)	<input type="checkbox"/>	<input type="checkbox"/>
26	Cafeteria benefits plan administration	Typically Fees to administrator (IRS compliance)	<input type="checkbox"/>	<input type="checkbox"/>
27	Profit sharing plan administration	Typically Fees to administrator (IRS compliance)	<input type="checkbox"/>	<input type="checkbox"/>
28	Stock plan administration	Typically Fees to administrator (IRS compliance), legal assistance	<input type="checkbox"/>	<input type="checkbox"/>
29	Recreational / social programs	Administrative planning time	<input type="checkbox"/>	<input type="checkbox"/>
30	Employee Assistance plan / counseling	Annual cost of EAP coverage	<input type="checkbox"/>	<input type="checkbox"/>
31	Pre-retirement counseling / retirement planning	typically free with retirement plan, but sometimes fees	<input type="checkbox"/>	<input type="checkbox"/>
32	Relocation services	Occasional "special" employment package	<input type="checkbox"/>	<input type="checkbox"/>
33	Outplacement services	Fee for service (assistance usually for managers or higher)	<input type="checkbox"/>	<input type="checkbox"/>
Employee Relations				
34	Disciplinary procedures	Policy development / updating / implementation, Written documentation for liability protection	<input type="checkbox"/>	<input type="checkbox"/>
35	Exit interviews	Owner / Manager time, Legal fees	<input type="checkbox"/>	<input type="checkbox"/>
36	Complaint procedures	Policy development / updating / implementation, Written documentation for liability protection	<input type="checkbox"/>	<input type="checkbox"/>
37	Award / recognition programs	Administrative time	<input type="checkbox"/>	<input type="checkbox"/>
38	EEO compliance / affirmative action plans	Owner / Manager time, EEO, CRA (Title VII)	<input type="checkbox"/>	<input type="checkbox"/>
39	Employee communications / publications	Employee Handbook compliance, review and changes, Required Work Posters, Company newsletters, (EEO, FMLA, ADA, DFWA, Sexual Harassment, etc.)	<input type="checkbox"/>	<input type="checkbox"/>
40	EPLI	Insurance policy - Employment Practices Liability (cost varies widely with deductibles, coverage limits, pre-existing compliance certification, etc.)	<input type="checkbox"/>	<input type="checkbox"/>
41	Suggestion systems	Administrative time monitoring	<input type="checkbox"/>	<input type="checkbox"/>
42	Attitude surveys	Administrative time implementing; Owner / Manager time assessing	<input type="checkbox"/>	<input type="checkbox"/>
43	Union / labor relations	Administrative time, Owner/Manager time, NLRA compliance	<input type="checkbox"/>	<input type="checkbox"/>
Personnel / HR Records				
44	Personnel / HR record keeping	Administrative time - File Retention times, File Destruction times, Anniversaries - Performance Appraisal dates (PRWORA, COBRA, HIPAA, IRCA, EEO-1 filing, etc.)	<input type="checkbox"/>	<input type="checkbox"/>
45	Promotion / transfer / separation processing	Administrative time (SUI, COBRA, HIPAA)	<input type="checkbox"/>	<input type="checkbox"/>
46	Human resource information systems	Administrative time, Outside IT consulting fees	<input type="checkbox"/>	<input type="checkbox"/>
Health and Safety				
47	Workers compensation administration	Administrative time - Annual Audit, Experience Modifier negotiation, Shopping, Claims administration - First Report of Injury, Post accident drug testing, Return to Work programs	<input type="checkbox"/>	<input type="checkbox"/>
48	Safety inspections / OSHA compliance	Administrative time (OSHA 300 log), Owner / Manager time (OSHA compliance, communication)	<input type="checkbox"/>	<input type="checkbox"/>
49	Safety training	Typically fees to Safety Training companies	<input type="checkbox"/>	<input type="checkbox"/>
50	Health / wellness programs	Outside administrator fees	<input type="checkbox"/>	<input type="checkbox"/>
51	Drug testing	Cost of actual Screens, internal Administrative time	<input type="checkbox"/>	<input type="checkbox"/>
Strategic Planning				
52	Human resource forecasting / planning	Administrative time, Owner / Manager time, Productivity / Turnover analysis	<input type="checkbox"/>	<input type="checkbox"/>
53	Organization development	Owner / Manager time	<input type="checkbox"/>	<input type="checkbox"/>
54	Mergers and acquisitions	Owner time, Consulting fees	<input type="checkbox"/>	<input type="checkbox"/>
55	International personnel / HR administration	Typically outside service fees	<input type="checkbox"/>	<input type="checkbox"/>