



HR Expertise Keeps a Restaurant Business Protected and Productive

Compliance with federal, state, and local labor laws is the responsibility of a business owner, whether they have one employee, 25, or 100. With the typical high employee turnover rate in the restaurant industry, labor law compliance issues become even more important.

So, what is compliance? Simply stated, it is business behavior that follows government laws. The federal government alone administers and enforces more than 180 laws directing workplace activities for approximately 10 million employers nationwide.¹ Add state and local laws into the mix, and every restaurant is required to comply with laws that cover many familiar day-to-day activities, including:

- hours and wages,
- hiring and firing practices,
- equal opportunity,
- on-the-job health and safety, and
- workers' compensation.

Compliance is not just a matter of obeying the law. Sometimes, it helps prevent costly errors that can negatively affect a restaurant's bottom line. Mistakes can happen from the moment a new worker is hired until that employee's last day on the job. Even without legal complications, compliance errors and omissions can hurt the productivity and profitability of the business.

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A restaurant can conduct a self-evaluation to see how it measures up when complying with labor laws and providing human resources (HR) support. It can begin by logging onto the Web sites of the U.S. Department of Labor (www.dol.gov), the Internal Revenue Service (www.irs.gov), and the state's labor department for up-to-date information about labor laws and how they apply to the restaurant business owner. Then the restaurant owner must consider their compliance responsibilities and HR management needs to determine objectively if they are doing all that they can to keep their employees protected and productive – and their restaurant compliant.

Apart from the food that is served, employees are the most important resource in a restaurant. It makes sense to protect that resource by ensuring there is some HR know-how within the team.

Having an HR expert is a good way to stay informed about new labor laws and changes to existing ones. As a restaurant grows and the owner may have less time to interact regularly with each employee, the need for quality HR expertise becomes even greater. Depending on the size of the restaurant, this function could be handled by:

- a staff person who receives HR training,
- a designated HR professional,
- an outside consultant, or
- a third-party HR services provider.

Paychex Human Resource Services can help. In addition to providing comprehensive payroll processing services, Paychex also handles third-party HR administration for everyday HR matters. Paychex offers a menu of HR services that can benefit restaurants of all sizes, from employee handbooks and management procedures manuals to section 125 plans and retirement plan administration. Insurance services can be tailored to fit the unique needs of a restaurant. And workers' compensation services provide tools to help manage cash flow and budget costs accurately.

Learn how Paychex can help a restaurant administer its human resources and employee benefits more efficiently. Call 1-800-729-2439 (mention code #5864).



¹U.S. Department of Labor