HR
for
startups

Ben Gateley
CEO & Co-Founder @ CharlieHR

I 've spent the bulk of my adult life starting businesses. Ever since we were 16, all myself and Rob O'Donovan (another Charlie co-founder) wanted to do was take new ideas and make them into reality.

Over that time, we got to know pretty intimately the challenges that every new startup will face. Never enough time, never enough resources, never feeling 100% certain how best to look after your team – we understood these issues well, because we'd been grappling with them all our working lives.

That's why we started Charlie. We wanted to build something that could help founders banish the administrative headaches that come with growing a team, so they could get back to growing their business.

In the last few years, Charlie has evolved beyond those HR fundamentals. Now, we're building something that doesn't just handle your admin but enables you to deliberately craft and shape your company culture, in a way that empowers your team to do their best work.

In a lot of ways, Charlie is becoming the tool I wish I had when I was starting my first company. In the same way, the guide you're reading right now is the guide I wish I could have read myself back in those early days.

Inside, you can find everything I've learnt about the fundamentals of building and scaling companies from scratch. We've written it for everyone – customers, readers and other startup founders – in the hope you find it useful while building yours.

Thanks for reading,

**Ben Branson-Gateley
CEO and co-founder of CharlieHR**

charlie

Contents

Laying the foundations

Truly great HR is about creating an environment where your team can and want to do their best work. That's what we're aiming for – but before we get there, we need to put down some foundations.

Most of the items on this list are legal requirements that you need to get in place to keep your startup on the right side of the law. A couple of the others aren't strictly essential, but getting them in place now is going to save you a whole lot of time and headaches in the future.

In either case, the bedrock of company culture is stability – these are the steps you need to take to get there.

Startup compliance checklist

✓ Employment contracts

The first thing you need to get nailed down are your team's contracts of employment.

It's common for early stage startups to have a fairly casual attitude towards contracts – when your company is just a handful of people, it's tempting to think that a template you've downloaded off the internet and a bit of goodwill is enough to see you through.

But when it comes to people's jobs and livelihoods, you need the security of contracts drawn up by a professional. Without that clarity, you're leaving a lot of space for friction or misunderstandings to escalate into full-blown conflicts that end with legal action.

Proper contracts of employment, written by an HR expert and tailored to fit your startup's unique context are an absolute essential – whatever the size of your company.

Need help with your contracts?

Talk to the HR Advice team today

CLICK HERE

✓ The three HR policies you need to protect your business

According to UK employment law, every company needs three specific HR policies on file:

1. A Health & Safety Policy
2. A Disciplinary/Dismissal Policy
3. A Grievance Policy

It doesn't matter how small your company is – if your startup doesn't have these documents, then it's already in breach of the law. Without them, your business is vulnerable to legal action which could mean paying out large amounts in compensation.

Just as with your employment contracts, you also need to bear in mind that templates downloaded from the internet will only get you so far. The cover these templates give you is patchy at best – to protect you properly, these policies need to be tailored specifically to your business.

As an example, the law on Health & Safety Policies requires you to carry out what is called a H&S assessment. That means a thorough examination of the way your company's work is carried out – so generic templates from the internet simply won't cut it.

The three policies we've listed here are just the bare minimum of what your startup can legally get away with

As your company grows, it'll become more and more important to build out other policies to set out how your company does its work. The easiest way to do this is with a bespoke company handbook.

To book your free handbook consultation

CLICK HERE

Whenever you hire a new team member, Charlie automatically collects their Right to Work documentation (and then keeps it safe and secure)

Charlie also notifies you before your team members visas expire
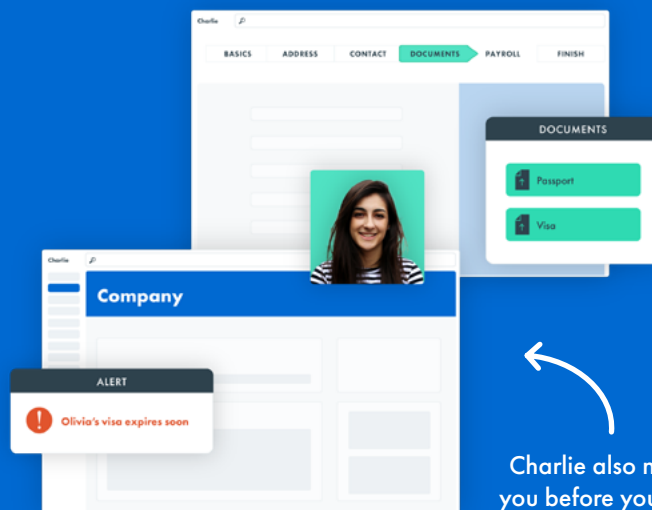
Start a free trial today

✓ Check and store your team's Right to Work documentation

Every employer in the UK has a responsibility to keep a record of their employees' Right to Work documentation. For team members from the UK, that's pretty straightforward – just keeping a scan of their passport will do the trick.

For other team members, things get a little trickier. While the UK remains part of the EU, EU citizens can provide a scan of their passports but from January 1st 2021, things are currently a lot less clear.

Nationals from other parts of the world either need to have settled (or pre-settled) status, or a visa that gives them the right to work in the UK. In either case, you'll need to keep a record of their right to work documentation on file – you can find a complete list of valid documents over at the gov.uk website.

✓ Get your Employers' Liability insurance in place

Every employer based in the UK needs valid Employers' Liability insurance – this is designed to cover you in case one of your team becomes ill or injured carrying out their work for you.

Hopefully, you're never going to need this, but it's an essential piece of 'HR hygiene' you need to get ticked off (the maximum fine for not being properly insured is £25,000 per day!).

Set up automated time off software

When your startup is only four or five people, using spreadsheets to track time off and sick days is just about workable. But as your team grows, this breaks down pretty quickly.

Holiday requests made by email and then tracked in a spreadsheet soon become an absolute time-sink and there'll inevitably be mix-ups – missed requests or holiday clashes that leave you short-staffed.

The solution is to set up automated time off software, like the kind we offer inside Charlie.

Automated time off software allows you to totally remove yourself from the time off process. It will also calculate prorated holiday allowances and rollover for you, so you always know your time off process is fully compliant with the law.

Get your team enrolled onto a workplace pension

Under the 2008 Pensions Act 2008, every employer in the UK must put certain staff into a workplace pension and make contributions to it. You can check up on your company's responsibilities by heading to The Pension Regulator.

Use Charlie to oversee time off with a single glance
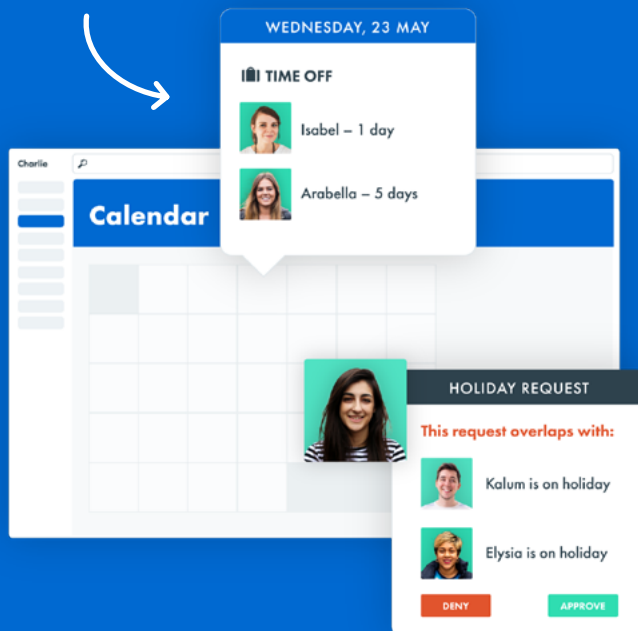
Intelligent notifications mean your time off process runs itself

Try it for free

PART 2

An onboarding process that's ready to scale

The success of any startup is built on the people who run it. Team members that feel a sense of belonging within their team and are empowered to do their best work are the foundation of every young company.

That means that anyone running a startup needs their onboarding process to achieve three different things:

1. **Keep your company on the right side of the law**

2. **Help the new hire feel welcome at your company**

3. **Set them up to succeed in their new role – right from day one**

In today's climate, when nearly all of us are working remotely, all three of these things have become harder.

What's more, you have to bear in mind that your startup needs this process to be scalable. You'll need to roll out this process every time you make a new hire, so it has to be simple and easy to deploy and not drain too much of your time.

For a small startup – where hiring is often the job of just one or two people – balancing all this can be a real challenge. That's why we've built Charlie's onboarding feature – to help you nail every aspect of your onboarding process.

# Keep your company on the right side of the law

The one-click invite...

Whenever you bring someone new into your business, there's a whole load of legal admin you need to work through just to keep your company compliant.

Right to Work documents, P45s, contracts of employment, next of kin... There are a lot of loose ends to tie up (and some potentially serious pitfalls if you don't).

But with the right HR software, you can distill this entire process down into a single click. We've designed Charlie to deliver a legally watertight onboarding process for you, freeing you up from remembering every little thing yourself.

... and 'self-serve' onboarding
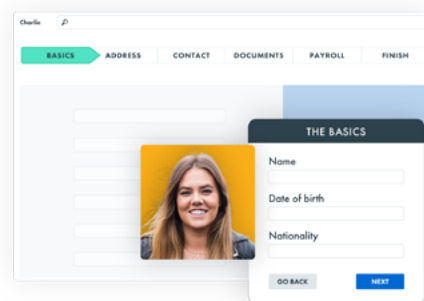
In the past, tying up all those loose ends meant an endless back-and-forth email thread with the person you were onboarding.

And even once you got all that information, you'd still need to find somewhere safe to store it and then manually enter it into your records. That process wasn't just a time-sink — doing everything by hand also made it easy for sensitive information to get lost.

With Charlie, the new hire is prompted to upload their employee information themselves, so you can run an on-boarding process that is essentially 'self-serve'. This means that you know you've collected all the information your company needs, without ever having to waste time chasing.

What's more, Charlie's security protocols are ISO 27001 certified and fully GDPR-compliant, so you know that data is being stored safely.

2.

3.

## Help the new hire to feel welcome at your company

Starting a job at a new company can be a daunting experience.

There's going to be a lot of unfamiliar faces and it can take a while before they really feel 'part of the gang'. That's never been more true than in 2020, when we can't even rely on that precious face-to-face time hanging out in the office.

With Charlie's onboarding flow, you can give the new hire a warm welcome right from the off.
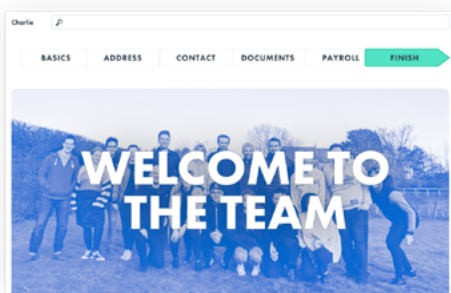
And once they've set up their profile, they'll be able to browse through the company profile to get to know the lay of the land.
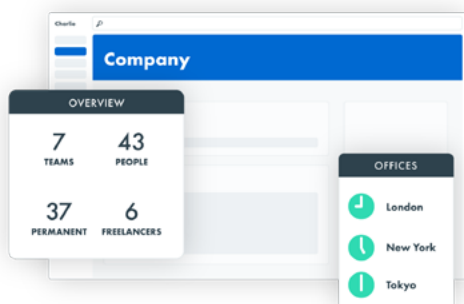
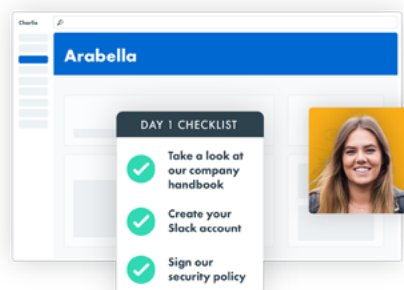## Set them up to succeed in their new role – right from day one

The best-case scenario for any onboarding process is that the new hire feels able to deliver their best work as soon as possible.

With Charlie's checklists feature, you can assign onboarding tasks for both new hires and their line manager to help bring them up to speed as fast as possible.

Try Charlie's onboarding feature for free today

CLICK HERE

charlie

Taking care of your team

In today's job market, the best talent wants to work in an environment where they feel valued and appreciated.

This goes far beyond a payslip at the end of the month. Today, people want to know that their employers really care — that they listen to their feedback and act on what they say.

What this means for today's startups is that a focus on employee wellbeing isn't a nice-to-have anymore — it's an absolute necessity.

Show your team you care

When you've just started up a new business, money is always tight. For many startups, spending extra cash on treating their team can feel like a luxury.

There's also the question of what to even spend that money on – you need it to go a long way and it can be tricky figuring what you can offer that everyone on the team will appreciate.
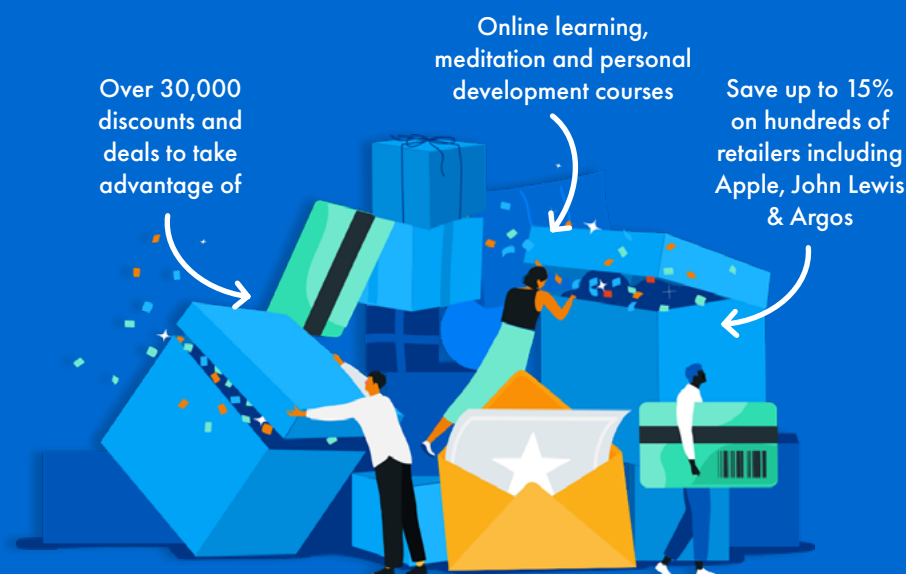
These were the challenges we had in mind when we put together Charlie's Perks feature, a solution designed specifically for startups like us.

Perks puts that choice in the hands of your team, giving them access to a huge range of benefits, discounts and deals to choose from.

It's also remote-work friendly – now that team socials or trips to the pub are a thing of the past, startups need a way of showing their team some love that makes sense even when they're WFH. With Perks, you've got that covered.

But most importantly, Perks is seriously cost-effective. With most HR software providers, you need to pay extra to unlock their benefits feature, but we include Perks completely for free within the rest of your subscription.

Perks is an unbeatable range of benefits, discounts and deals – all included in a Charlie subscription

Over 30,000 discounts and deals to take advantage of

Online learning, meditation and personal development courses

Save up to 15% on hundreds of retailers including Apple, John Lewis & Argos

Want to take a closer look at Perks? Try it for free here

charlie

Valerie Mann
Head of People at
Mention Me

Give your team a voice

The other really crucial aspect of employee wellbeing is making sure your team members have a voice within your organisation.

When your team is just a handful of people working in one room, this tends to happen pretty organically – the natural flow of day-to-day conversation means you tend to have a pretty good idea of how everyone is feeling.

> **Everyone has opinions on People issues – but to cut through the perceptions you need numbers. The better your analytics, the easier it is to think of real solutions and make strategically useful decisions."**

But as teams grow beyond the ten-person mark, that quickly stops being the case. And now that so many of us are working remotely, it's even more difficult.

The simplest solution here is to use employee engagement software to track your team's wellbeing.

There's a huge array of options out there and it can be hard to figure out which is right for your company. We built Charlie's Polls feature as the 'entry-level' option for new startups just getting started in employee engagement.

Polls gives you access to a wide selection of pre-built engagement surveys designed by experts, that you can set once and then leave to run automatically. As responses come in, Polls gives you a clear overview of your team's wellbeing and morale.

Peakon

A powerful and in-depth analytics tool that works best for companies with a large headcount and a dedicated People team

Culture Amp

A broad platform with a wide set of customisable features – best for people who already know their way around employee engagement

charlie

Best option for new startups looking for a way to get started in employee engagement

Try our software free for 7 days

charlie

Getting the difficult moments right

Everyone running a new startup is going to face tough moments – that just comes with the territory of starting a company from scratch. But what is absolutely crucial for your business is making sure you handle those moments with compassion and respect.

Delicate situations like raising performance issues with a team member, taking disciplinary action or even the prospect of making redundancies… how you deal with those moments will have a huge impact on the morale and wellbeing of your team, and it's at times like these that you need expert advice.

Charlie's HR Advice service

Advice you can trust in the moments you need it most.

Our advisors can support you through any HR issue with solutions tailored to your business.

Book your free call today

Sara Mirza
HR Advisor at Charlie

Building your company culture

Once you've got those HR fundamentals in place, it's time to start thinking more proactively about the type of culture you want to build at your startup.

One of the most common misconceptions about company culture is that it's something that just 'happens'. This is really not the case – the culture of your company is something you can and should be actively working on, every day of the week. The environment you build for your team is going to have a huge impact on the work they deliver – and it's crucial that you craft that environment in the right direction for your business.

There are all kinds of ways you can craft company culture. But for a new startup that's just starting out, the best place to do this is through a company handbook.

Craft your culture with a bespoke company handbook

Back in Part 1, we talked about the three HR policies every company needs to be legally compliant. But when it comes to your company handbook, just complying with the law is really the bare minimum.

The very best handbooks serve as the living, breathing embodiment of a company's internal culture. They should set out exactly what a company believes in, how its team approaches their work as well as the mission that the company is striving to fulfil.

Companies that take their culture seriously understand there's far more to creating and sustaining a great place to work than just your Health & Safety policy. Here are a few of the policies you should consider putting in place as your startup begins to scale:

- Holiday policy
- Mental health policy
- Parental leave policy
- Remote work policy

If you want to take a look at how we approached these topics here at Charlie, just hit this link and you can download the full list of policies we use here at Charlie.

Building your handbook with HR Advice

With Charlie's HR Advice service, our advisors will help you craft bespoke company policies that are right for your specific company context. With their help, you can put the building blocks in place for the specific culture you want to see at your company.

They'll also tailor your handbook to reflect your company tone of voice, making sure it speaks to your team in the way you feel is right.

Book a free handbook consultation

CLICK HERE

Where's the best place to store your handbook?

Every decision you make about your business makes up part of your company culture. And for that culture to be sustainable, it needs to be codified.
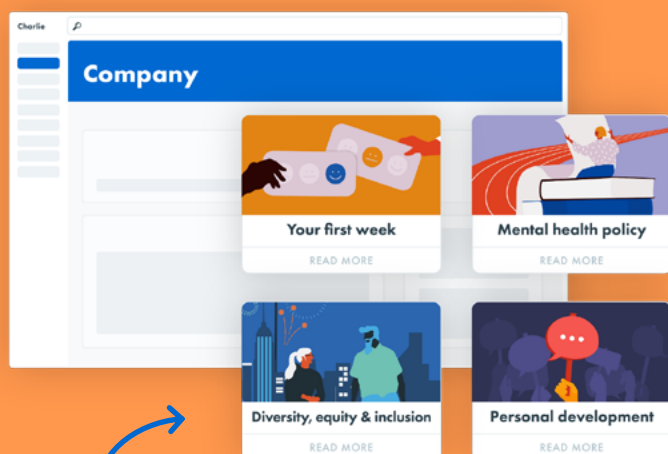
But for all the good intentions that go into company handbooks, there's always been a tendency for them to become lost over time. Back when they were still printed on paper, they'd often end up living in forgotten filing cabinets – out of sight and out of mind.

Even as workplaces became more and more digital, it was all too easy for handbooks to get lost in shared drives, hidden down a rabbit hole of folders and subfolders.

Information is only ever useful when it's easy to find and clear to understand – which is why we've made it possible to integrate your handbook directly inside Charlie.

Now, you can give your team clarity on how your company operates in a place they can always find it.

Book your free demo of Charlie's handbooks feature

CLICK HERE

Keep your company handbook where everyone can find it

Codify all your company policies

Company

Your first week
READ MORE

Mental health policy
READ MORE

Diversity, equity & inclusion
READ MORE

Personal development
READ MORE

Growth and development

Today, the most successful startups are the ones that make growth and development a central part of their culture.

There's a couple of reasons for this. First, because the best talent now has an expectation that they're going to be nurtured in their roles. Without that sense of development, it's harder to attract and retain the best people.

Second, because the performance of your team is the single biggest factor in the success of your business. They are the ones driving your business forward — help them to perform at their best, and you'll reap the rewards.

charlie

Setting up performance reviews at your startup

There are a hundred different ways to run performance reviews, and just as many products, tools and apps to help you do it.

But running a startup is complicated enough already. Most of the time, it feels like you barely have the capacity to do reviews at all, let alone test all the solutions and design your own process from scratch.

For most startups below the 20-person mark, the key to a good review process is keeping things simple. You need a process that makes an impact, but is also easy to roll out and doesn't need loads of supervision.

So – high impact, but light touch. These were the principles we had in mind when designing Charlie's Reviews feature. We wanted to build a tool that helped startups like us to make development and progression a tangible part of their company culture, without the need for constant oversight.

Here's how we did it:

1 Best practice templates

Charlie's Reviews feature comes with a selection of expertly designed templates for you to choose from. With these, you can guide review conversations towards the topics that matter most.

2 Simple oversight over all your reviews

At a busy startup, performance reviews are one of those things that can easily get sidetracked by other priorities. We've designed Charlie to help you oversee your review process at a glance, and what's more – we do all the chasing for you.

3 A process built on meaningful conversations

The most important part of any review process is the conversation that takes place between manager and team member — that's the point where you see real growth. We've built Charlie to ensure that conversation is as well-informed and productive as possible.

charlie

Luula Abdulkadir
HR Advisor at Charlie

"

The success of any review process hinges on that one-to-one meeting. This is the moment the team member will remember about their review... the best way to help them develop is to get that conversation right."

How does Reviews work?

Reviews
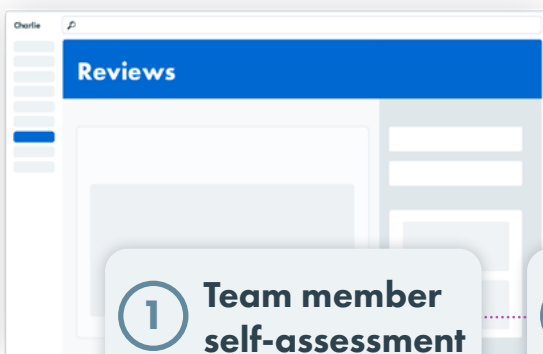
1 Team member self-assessment

First, Charlie prompts your team members to fill in their own self-assessment. This encourages them to reflect on their performance and think about where they've struggled or excelled.

2 Line manager feedback

After the self-assessment has been submitted, it's passed to their line managers so they can give their own feedback.

3 Review conversation

Once the team members read their feedback, it's time for the review conversation. Asking both sides to prepare in advance makes sure these conversations are well-informed and meaningful.

charlie

Everything your team needs to perform – all in one place
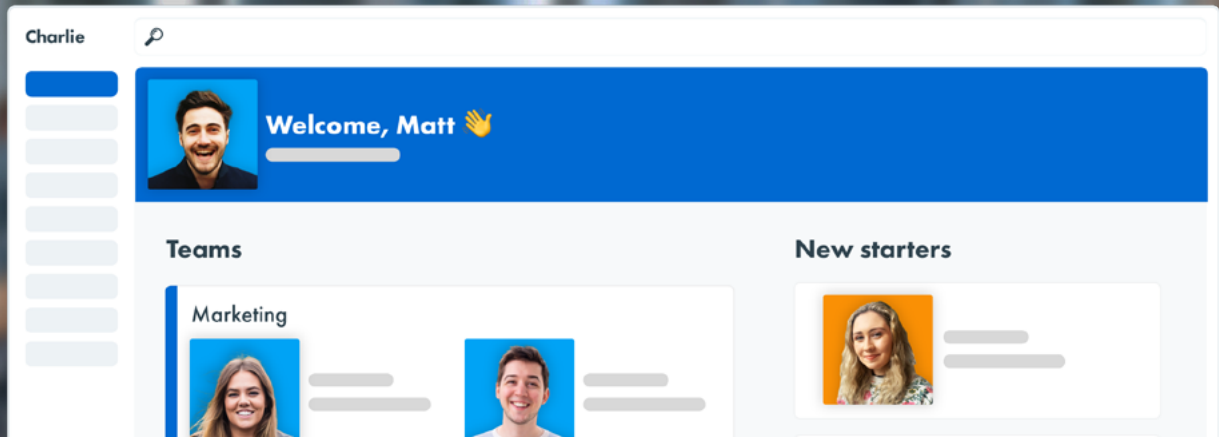
The people platform used by some of the UK's fastest-growing startups

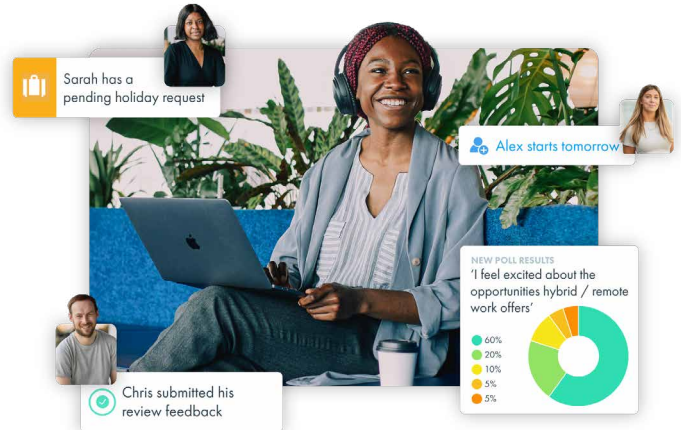PATCH   juno   Revolut   BLOOM&WILD

TRY FOR FREE

![charlie logo] **charlie**

CharlieHR

Charlie makes HR effortless

Bring clarity to HR chaos. Automate your HR tasks and get the time, headspace and tools you need to build an engaged and high-performing team.

- **Automate your HR. All of it.**
  From hard work to clockwork – Charlie saves you hours on HR tasks, every single week. Set it up once, never touch it again.

- **Harness the power of your people.**
  Less guesswork, more impact. Get reliable, proven tools that help you maximise your team's potential (without maximising your workload).

- **Plan, measure and report on your impact.**
  From behind the scenes, to centre stage. Identify action areas, drive real change and then report on the results.

Sarah has a pending holiday request

Alex starts tomorrow

NEW POLL RESULTS
'I feel excited about the opportunities hybrid / remote work offers'
60%
20%
10%
5%
5%

Chris submitted his review feedback

Try for free

HR advice

One-to-one People support that delivers real impact

HR Advice is a bespoke support service that helps small companies and startups achieve their People goals.

- **Get fully compliant (and competitive)**
  Work with our advisors to upgrade your policies and contracts while creating a progressive company handbook that enables high-impact work.

- **Craft a culture that unlocks performance**
  Tap into the industry expertise you need to build a truly fulfilling work environment, where your team always feels supported and engaged.

- **Be ready for any HR challenge**
  Get unlimited support with whatever HR challenge you're facing (all while levelling up your skills for the future).

Your HR advice team

Book a free call