"Too Small for HR"?

Here's Why That's a Risky Myth



"HR is for big companies. We're only 12 people." It's a common refrain and an expensive one. Compliance obligations don't wait until you hit 50, 100, or 500 employees. Many apply from **employee #1**, and others kick in far earlier than most small businesses expect. The result? Well-meaning teams make ad-hoc decisions, managers wing it, and risk piles up quietly until a complaint, audit, or lawsuit makes it very loud.

Good news: "having HR" doesn't have to mean building a department. It means putting simple, repeatable practices in place so you **hire, pay,** schedule, and train employees in a consistent, compliant way.

The Hidden Costs of "We'll Figure It Out"



Wage and hour drift

Inconsistent timekeeping, off-the-clock work, misclassification, and haphazard compensation decisions can lead to lawsuits galore, which often include back pay, penalties, and attorney fees.



Policy whiplash

Without an up-to-date handbook, managers may be unaware of employee entitlements and set their own rules. That is terrible for both fairness and defensibility.



Documentation deserts

If you can't show which policy applied, what training people took, or how a decision was made, you're exposed.



Leave confusion

Sick time, voting leave, organ donation, school activities, victim leave, baby bonding, disability. Small missteps snowball when no one knows the script.



Manager guesswork

Most frontline leaders aren't lawyers or HR experts. They want step-by-step instructions and simple answers, not internet rabbit holes.

Myth vs. Reality

Myth: HR only matters once we're big.

Reality:

Core requirements start immediately and expand as you grow.

Applies at (nearly) any size:

- Form I-9 verification
- Wage-and-hour rules (timekeeping, overtime, breaks, final pay timing)
- · Safety obligations and incident reporting basics
- · New-hire reporting
- · Required workplace posters

Kick in earlier than you think:

- · Paid sick leave in almost half of states and many cities
- State family and medical leave protections
- · Protections against discrimination at the state and federal level
- Pay equity and transparency rules in many states and cities
- Harassment-prevention training (mandated in several states)

You don't need to memorize every line of the law. You do need a system that keeps you on the rails.



What "HR" Looks Like for a Small Business, No Department Required

Think of HR as a handful of everyday workflows:

- Hire right: consistent offer letters, background checks (where appropriate), and a clean Form I-9 process.
- Pay right: accurate timekeeping, overtime rules followed, pay stubs and final pay on time, and salaries consistent between employees doing similar work.
- Set expectations: a clear, current handbook and employee acknowledgments.
- Train the team: short, role-based courses (e.g., harassment prevention, manager basics) with tracking.
- Handle leaves and schedules: simple request and approval steps and manager guidance.
- Close the loop: document decisions, keep records, refresh policies as laws change.
- Tap into expertise: access trusted HR and compliance resources, such as Mineral Experts™, for timely, practical advice when questions arise.

Do these well and you've got "HR," even if HR is a hat someone wears part-time.



3 HR Quick Wins You Can Check Off This Month

Publish (or refresh) your handbook Create a

	Tabilati (of Tellesti) your Harlabook. Oreate a
	document that matches your locations and capture
	acknowledgments.
	Make sure everyone is on the same page with timekeeping. Refresh all employees on your policies around clocking in and out, logging breaks and
	lunches recording time that's worked outside of the

workplace, and how and when they should turn in

their timesheets. (And make sure your handbook

Check up on your leave processes. If your current system feels haphazard, simplify by creating one place to request time off, one way to document it, and one place to view balances.

has this great information, too!)

How Mitratech Mineral Makes This Simple

Mineral gives small organizations the tools to act like big ones without the headcount.

- 1. Plain Language HR Guidance Fast, practical answers for hiring, leave, wage and hour, discipline, and day-to-day policies so managers act confidently and consistently.
- Smart Employee Handbook A guided builder to stand up a clean, current handbook, plus easy updates as laws change.
 Acknowledgments included.
- 3. Training and Tracking Ready-to-assign courses (e.g., harassment prevention, manager essentials) with reminders and completion records you can pull in seconds.
- 4. Timely Alerts Short updates that say what changed and what to do, so you act early instead of scrambling later.
- 5. Mineral Experts™ A direct line to seasoned HR professionals for judgment calls and gray areas. When "it depends," you get a clear next step.

The Bottom Line

Being "too small for HR" isn't lean, it's risky. Compliance applies whether you have 5 employees or 5,000. Put simple, repeatable practices in place, give managers clear answers, and keep policies current. That's HR, sized for you.