



# Human Resource Management 101

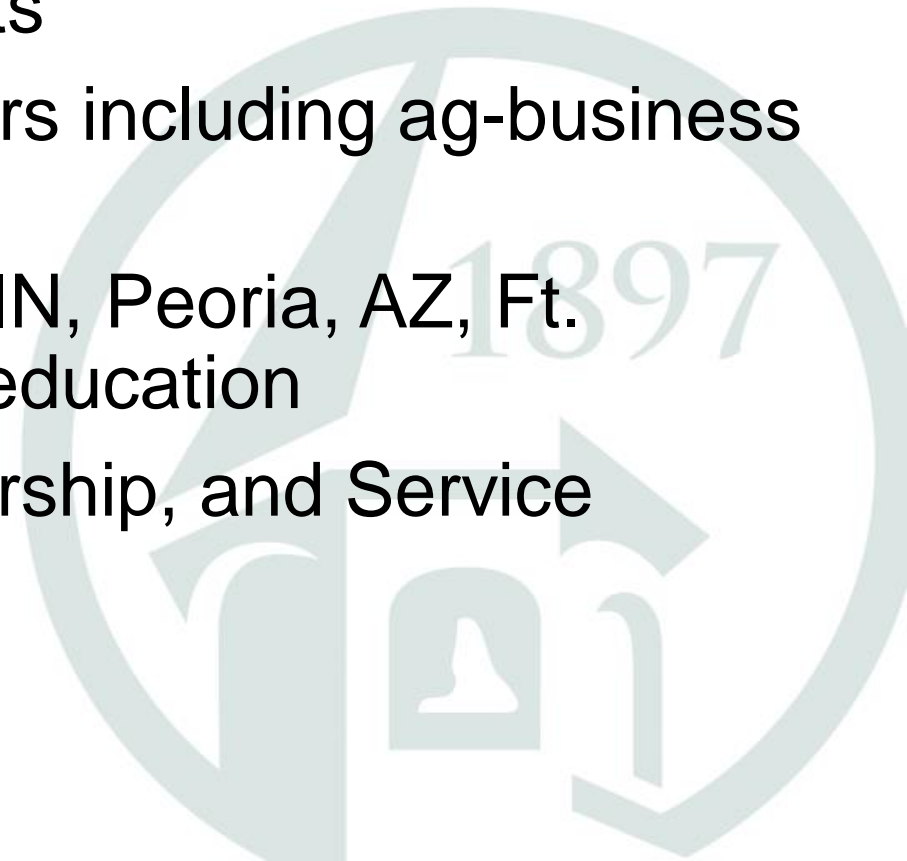
Dr. Brock Zehr

Associate Professor Business & MBA Director



## About HU

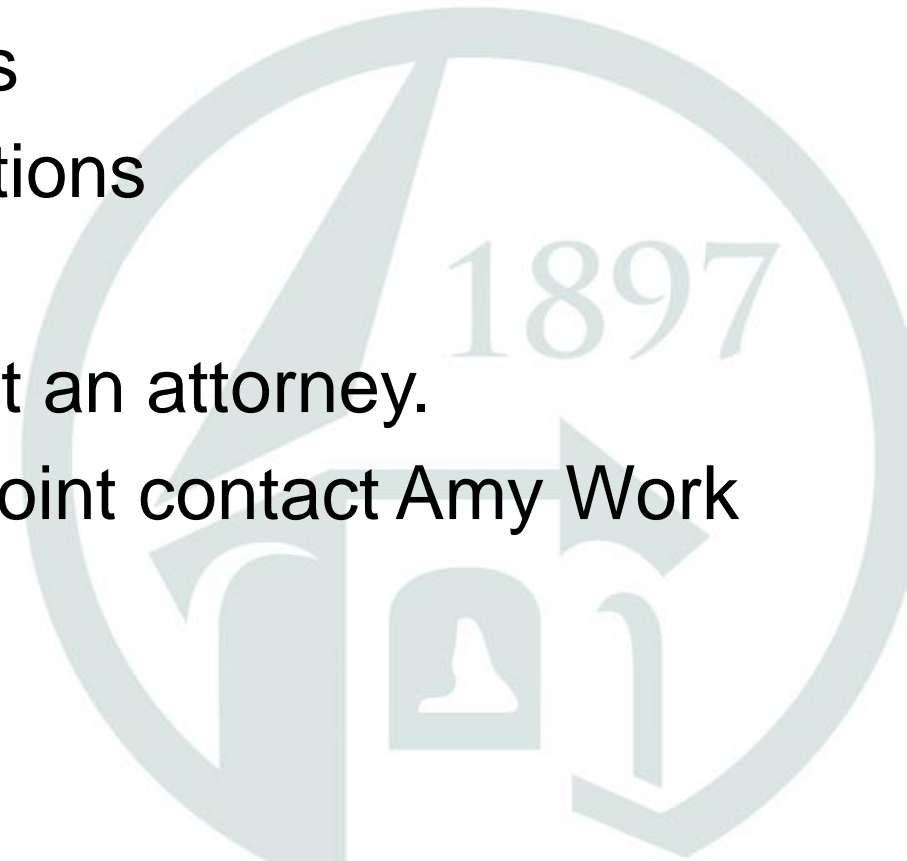
- Christian liberal arts university
- 1,068 undergraduate, 244 graduate, & 90 adult degree-seeking students
- 70 undergraduate majors including ag-business
- Locations: Huntington, IN, Peoria, AZ, Ft. Wayne, IN, and online education
- Values – Christ, Scholarship, and Service





# Today's Agenda

- Staffing function of HR
- Employee vs. independent contractors
- Hiring considerations
- Performance evaluations
- Q&A
- Disclaimer – I am not an attorney.
- Copy of this PowerPoint contact Amy Work





# The Staffing Function of HR

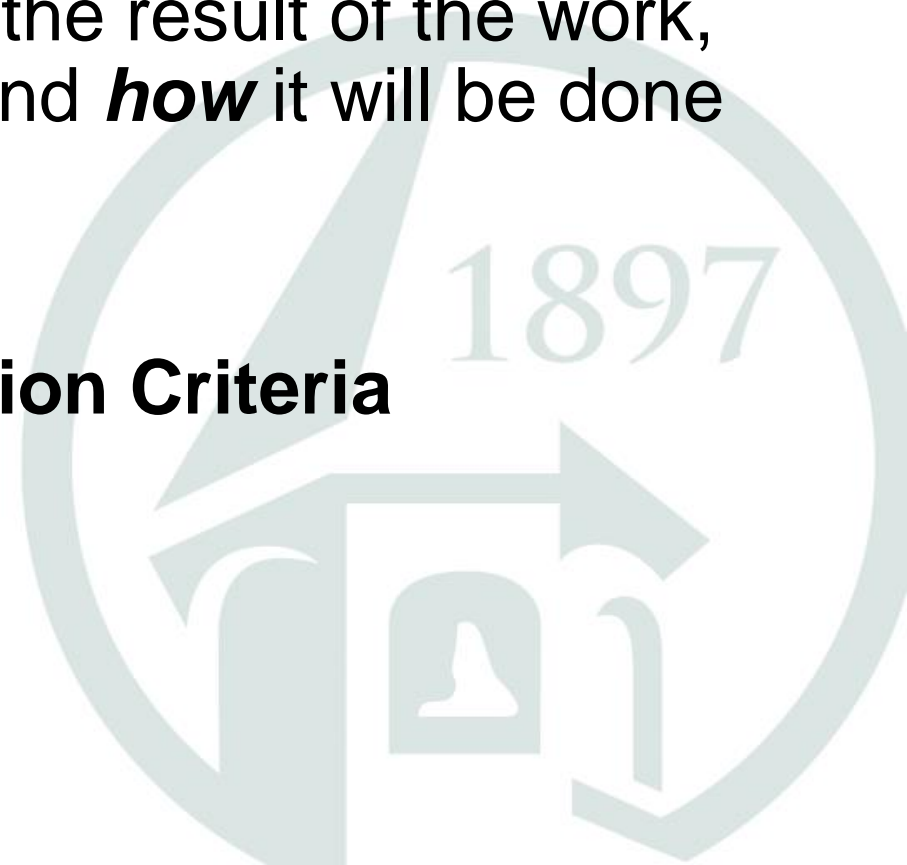
- Right people, in the right jobs, at the right time
- Job analysis leads to accurate job descriptions
- Recruitment
- Selection
- Onboarding (orientation)





# Employee vs. Independent Contractor

- The general rule is that an individual is an independent contractor if the payer has the right to control or direct only the result of the work, not ***what*** will be done and ***how*** it will be done (IRS).
- Classification Evaluation Criteria
  - Behavioral control
  - Financial control
  - Relationship



# Summary of Typical 1099 vs W2 Employee Situations

Type	How paid?	Payroll Taxes	Termination Ease	F/T or P/T?
<b>1099 Independent Contractor</b>	Usually by the job, project, or hour; never salary	Not paid or withheld by employer	Specified by contract	Usually P/T, on demand, or by project
<b>W-2 Employee</b>  (Beasley, 2020)	Salary or hourly	EE withholding and pay FICA, UE, and Worker's compensation	At will employment. Fire for documented performance or behavioral deficiencies.	Consistently F/T or P/T

# Pros & Cons of 1099 Independent Contractors

Pros	Cons
Save on wages – no downtime	Higher hourly rate
Save on PR taxes, benefits, and insurance	Teamwork may suffer
Hire skilled specialists. Less training	Capacity constraints
Easier to find & manage	

(Deasley, 2020)

# Pros & Cons of W-2 Employees

Pros	Cons
Large recruitment pool	Cost of payroll taxes and benefits
Succession planning	More difficult to fire
Accountability	More time to train and manage
Teambuilding, morale, and culture	

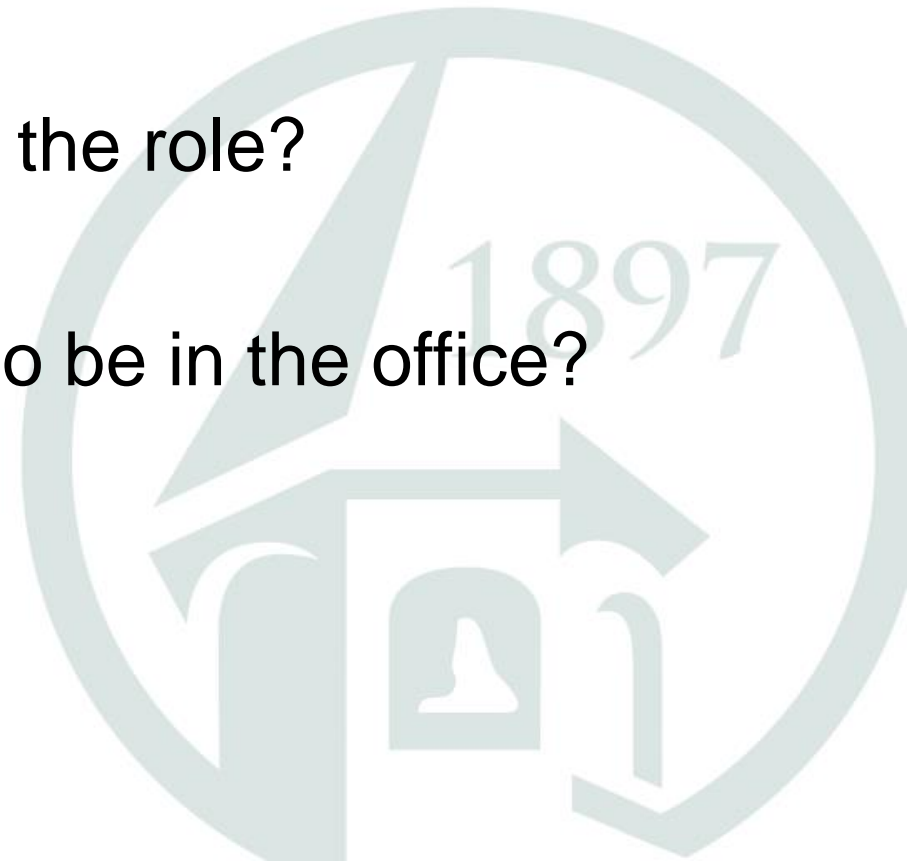
(Beasley, 2020)





# Hiring Considerations

- How many hours do you need them to work consistently each week?
- What is your budget for the role?
- Does the person need to be in the office?





# 1099 Independent Contractor Hiring Steps

- Create a [job description](#)
- Post job on [freelance websites](#)
- [Interview](#) and check references
- Review sample work, if applicable
- [Contract](#) preparation
- Obtain completed [IRS W-9](#)
- Generate IRS [1099-MISC](#) by 1/31
- Onboard with staff and key contacts



## W-2 Employee Hiring Steps

- Create a [job description](#)
- Post job on free [job websites](#)
- [Interview](#) and check references
- Offer and acceptance letter
- Establish [personnel file](#) with key documents
- IRS [W-4](#), DHS [I-9](#), [Indiana WH-4](#)
- Onboard with staff and key contacts



# Tips for Effective Employee Performance Reviews



Documenting job plans  
& expectations



Conversation  
is key



Meeting regularly

Solicit feedback  
from colleagues



Sharing performance  
review format



Goal setting  
& preparation



Discuss  
positive  
components





## Additional Resources

- Society for Human Resource Management ([SHRM](#))
- 70 fabulous & free employee performance review [templates](#)
- [HR.BLR.com](#) – Compliance Tools for HR
- [Employment Law](#) and Human Resources



**Q & A**







## References

Heathfield, S. M. (2018, August). Get 10 great tips for holding effective employee performance reviews. Retrieved September 8, 2018, from <https://www.thebalancecareers.com/effective-performance-review-tips-1918842>

Beasley, C. (2020, May 6). Hiring W2 vs 1099 employees - Which is better? Retrieved August 17 2021, from <https://fitsmallbusiness.com/w2-vs-1099/>

Understanding Employee vs. Contractor Designation | Internal Revenue Service. (n.d.). Retrieved September 8, 2018, from <https://www.irs.gov/newsroom/understanding-employee-vs-contractor-designation>

