

Just hired an employee, now what?

When a business hires an employee for the first time there are business processes that may need to be implemented that the business has not required previously. This Fact Sheet is a quick checklist of all the processes the business needs to have in place to ensure a smooth employment process.

1. Payroll

Do you have the facilities, knowledge, and time to process payroll? There are several steps to payroll such as registering for PAYG (Pay As You Go) and knowing how you will capture/record what hours the employee has worked. Follow this link for a <u>payroll checklist</u> for new employers.

Are you registered for, and do you have the facilities/software for STP (Single Touch Payroll)? STP is a new way of reporting employees' tax and superannuation information to the ATO. To learn more, a great place to start is ATO STP.



2. Superannuation

Do you understand your obligations relating to payment of Superannuation for employees? Some of this will be managed through STP, but you need to be aware of when and the value of contributions to be made for your employees so that you do not have to pay the super guarantee charge. You need to be aware of 'stapled' and default funds. Find all you need to know at the <u>ATO</u> website.



3. Record keeping

Are you aware of your employer record keeping obligations? As an employer you must keep record of hours worked by employees, payment of wages, allowances, bonuses, superannuation contributions, PAYG withholding, and super fund choice for your employees. These records need to be kept for five years. For more information, visit Record keeping for business.



4. Cashflow

Have you considered how your cashflow will be affected now that you have employee wages and oncosts to pay? A discussion with your bookkeeper or accountant would be a great starting point to ensure you appropriately manage your cashflow.



5. Return to Work SA

Are you, or do you need to be, registered with Return to Work SA? Register for RTWSA cover is a good place to start as there are criteria (eg if employees earn more than \$13,760 in 2022/2023) to review to determine if you need to register for work injury insurance cover. You must register within 14 days of hiring an employee.



6. Plan for Day One

New employees feel very welcomed when the workplace appears ready for them. This looks like:

- workspace is prepared (desk, workbench, tools),
- other employees or regular contractors are aware of their arrival,
- email account is set up,
- telephone, computer or tools are available and ready to go with all software loaded,
- induction process is prepared, including company specific training (i.e., relevant internal processes) and some work tasks have been assigned (that allow the new employee to start building confidence in their new role).



7. Induction

Employee Induction is the first step of welcoming new employees to the business and preparing them for their roles. Do you have an induction process in place? If not, Solutions To Spec can help you to implement one that is relevant to your business.



8. Probation Review

The Probation Period is the initial period of employment during which an employer can assess whether the new employee is suitable for the role and business before offering them a permanent position. Do you have a process for reviewing Probation Period performance and outcome? If not, Solutions To Spec can help you to implement one.



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