



Remote work and regulations: How to avoid the pitfalls

ADP's HR experts are always on the hunt for the most up-to-date HR solutions to continue to support our community of small and midsize business owners and HR leaders.

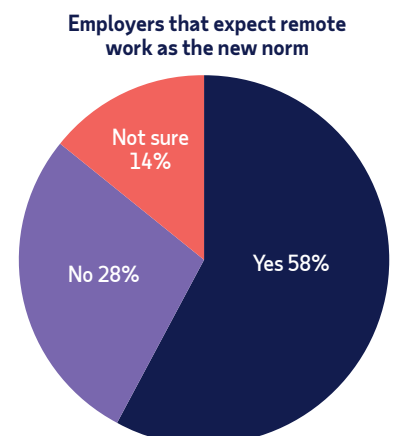
Explore the results from our HR Survey Series, which surveyed 500 small business executives and 1000 employees, and learn how this community is responding to frenetic change.

Throughout the COVID-19 pandemic, companies have had to be agile. They've had to react quickly to changes in health trends, government regulations, and employee work arrangements. The pandemic set off an explosion of regulations, and as business charges on, employers are left to sift through the HR policy rubble.

As businesses now reassess their work arrangements, it's important to consider compliance and regulatory requirements, in addition to internal policies. This is made even more complex by remote or hybrid work arrangements, employing people across multiple states, and organizational and reporting structures.

Compliance, policy and communication challenges

In surveying 500 small and midsize business decision-makers in companies with fewer than 250 employees, we found 58% of employers expect employees to remain working remotely entirely or some days each week as the new norm.



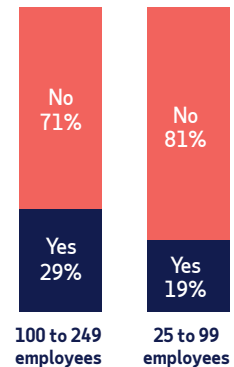


With remote or hybrid work arrangements becoming more common, there is also concern around the following key topics:

Compliance or regulatory issues

One-fifth of companies surveyed are currently facing challenges with compliance and regulatory issues, which may increase with the recent federal vaccine mandate. These types of issues are significantly greater in larger companies (29% of companies with 100 to 249 employees cite this as a challenge, compared to 19% of companies with 25 to 99 employees).

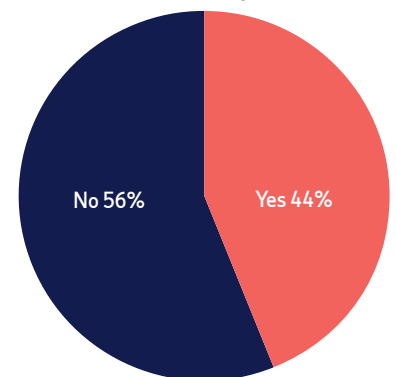
Compliance and Regulatory Challenges



Setting and managing remote work policies

For companies with employees working from different locations, the most common challenge, regardless of company size, was setting and managing remote work policies, affecting 44% of companies surveyed.

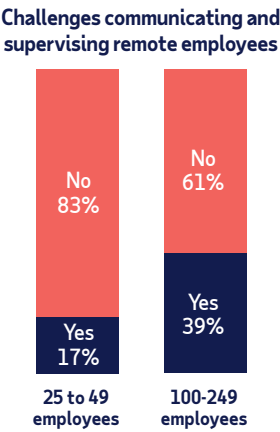
Challenges setting and managing remote work policies





Communicating with and supervising remote employees

Supervision of remote employees is another area where remote-only (22%) and hybrid (29%) businesses are facing challenges. Company size seems to have an impact as well as whether remote employee supervision is a challenge. Only 17% percent of companies with 25 to 49 employees consider it a challenge. Among larger companies with 100 to 249 employees, 39% saw employee supervision as a challenge.



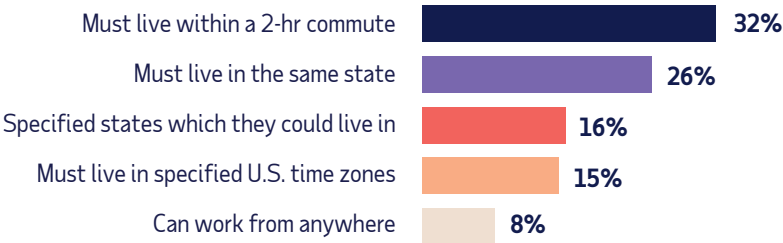
Making regulation and compliance considerations

If your company is embracing more remote work options, employees may be considering relocation options — which can create some hurdles. Laws can vary from state to state — or even within a state — including regulations around overtime, reimbursable expenses, insurance benefits, and family leave.

Ensure you have updated and accurate current addresses for all employees, and establish a procedure for how — and how far in advance — employees should inform you of a potential relocation. Be prepared to make adjustments and arrangements for employees if they relocate.

Additionally, establish policies now that inform employees what relocation options may be available to them. For instance, companies we surveyed who had some or all employees working remotely had the following policies:

- 32% required employees to live within a 2-hour commuting distance
- 26% required they live in the same state
- 16% specified which states they could live in
- 15% specified a required U.S. time zone
- 8% allowed employees to work from anywhere



Take the time to review your own internal policies and consider what restrictions you may want to put around work locations for your employees.



Data safety and security

With remote employees working from home, a café, or anywhere with a Wi-Fi connection, the potential for data leaks and security breaches increases. This is especially relevant for regulated industries — financial services, healthcare, energy, and others.

Employees should be regularly trained on data security best practices. You'll want to educate them to recognize phishing emails, scam phone calls, and other tactics.

Additionally, with employees likely utilizing their own hardware and internet service, companies need to consider what security measures they may put in place for data safety and security.

Requiring employees to utilize a VPN (Virtual Private Network) especially when they're logging in using public Wi-Fi may be one protection to put in place.

Communicate regularly and openly

For many companies, the pandemic has led to increased communication with employees. Especially during the beginning when there was so much uncertainty.

It has also often meant a dialogue, with employees having more opportunities to be heard and have their needs considered by leadership. That practice should be one that continues even once the pandemic is over.

While 14% of companies surveyed considered providing communications to employees as one of their top five challenges, options are available.

14%
OF COMPANIES
CITED, "PROVIDING
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CHALLENGE

ADP HR Outsourcing



Revisit your employee handbook, corporate practices and even overall organizational structure with your new work arrangements in mind. Seek feedback from leadership, managers, and general employees to see where changes could and should be made.

Collaborate with stakeholders to recommend changes, and then communicate those changes — and why the changes were made — to employees.

Ideally, employees should be informed of potential changes well before they are implemented. There should also be time for employees to comment and give additional feedback on changes.

This doesn't mean every policy needs to have unanimous consent, but it will ensure employees are heard and considered.

The methods of communication may also need to be addressed. Emails, team meetings, company-wide meetings, one-on-ones between managers and direct reports, and other channels may need to be added, eliminated, adjusted, or left up to individual employees. Assess regularly how well-informed employees are and adjust accordingly.

Making remote work, work

Concerns and challenges around implementing remote or hybrid work policies aren't insurmountable. Take careful consideration, work with HR experts, seek to understand local and federal regulations, and keep an open dialogue among employees, managers, and company leadership. These tactics will help you avoid potential roadblocks along the way and address any obstacles quickly and efficiently.

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