

Workforce Policy

5 tips all small retail businesses should know

Ensuring compliance with federal workplace policies is key to protecting employees' rights and supporting business growth. From safety standards to wage laws, here are five essential tips to help small retail businesses thrive while meeting their legal obligations.

TIP 1: Clearly define independent contractor relationships

The distinction between who is an employee and who is an independent contractor has been a hot topic of debate for over a decade. It is essential that small retail employers clearly define the roles of independent contractors if they choose to establish such a relationship. Contractors should have control over how and when tasks are completed. All arrangements with contractors should be in writing and should clearly outline project scope, timelines, payment terms and responsibilities. Guidance from the Internal Revenue Service can be found [here](#).

TIP 2: Comply with OSHA standards

For decades, Congress has applied the Occupational Safety and Health Act only to employers with over 10 employees. Covered employers have a legal obligation to maintain a safe workplace. Employers should identify any safety hazards and train staff in proper safety procedures. Employers must post the required [OSHA poster](#) where employees can see it. Should workplace injuries occur, [reporting to OSHA](#) is required under certain circumstances. More information from OSHA specifically for small businesses is [here](#).

TIP 3: Follow federal overtime and wage & hour laws

Under federal law, employees must be paid at least the minimum wage. Some employees are [exempted](#) from the Fair Labor Standards Act. Those not exempted from coverage must be paid overtime (1.5x regular pay) for hours worked over 40 in a week. Employers should track work hours accurately using reliable systems. Again, employers must post a [poster](#) informing employees of their rights under federal wage and hour laws. Further information from the Wage and Hour Division of the U.S. Department of Labor can be found [here](#).

TIP 4: Respect employees' collective action rights

Under the National Labor Relations Act, all employers, including non-union employers, must respect employees' rights to discuss wages and working conditions, or unionizing. Employers may not legally retaliate against employees for participating in these protected activities articulated above. Some basic information on the NLRA can be found [here](#).

TIP 5: Ensure equal employment opportunities

Under federal civil rights laws, employers must recruit, hire and promote without regard to race, color, religion, sex, national origin, age, disability or other protected traits. Employers must offer reasonable accommodations, or modifications to usual workplace procedures, to applicants or employees who require them due to medical conditions, religious beliefs, pregnancy, childbirth or related health circumstances. Again, there is a [posting](#) requirement. Employers should promptly address any complaints and document their response and investigation. Tips for small employers from the Equal Employment Opportunity Commission can be found [here](#).