

Is Your Small Business Ready for 2026?



2026 Small Business HR Checklist

PAYROLL & BENEFITS BASICS

Start the year by reviewing your compensation and benefits programs to ensure compliance and competitiveness.

Review Pay Structures and Minimum Wage Requirements

Confirm that hourly and salaried employees meet current federal, state, and local minimum wage laws. Adjust pay rates where needed before the first payroll of the year.

Track Bonuses and Non-Cash Incentives

Document all bonuses, stipends, and gift cards, and ensure they're properly reported on W-2s. A quick spreadsheet or payroll system reminder can prevent tax-time headaches.

Confirm Small Business Tax Credits

Check eligibility for available tax credits (e.g., small business health care tax credit, dependent care FSA, or HSA/HDHP). These can help reduce year-end costs.

Verify Health Insurance and Retirement Plans

Review your benefits offerings and confirm your plan documents are up to date. If you don't offer benefits yet, explore affordable small-group plans or retirement options like a SIMPLE IRA.

HIRING & EMPLOYEE ONBOARDING

Hiring and onboarding are your first opportunities to make a great impression—both with employees and compliance requirements.

Complete Form I-9s and Verify Eligibility

Review your I-9 process for accuracy. If you hire remotely, use approved remote verification methods or designate an in-person verifier.

Create a Simple Onboarding Checklist

Outline key steps: paperwork, policy review, introductions, and first-week training. Keep it consistent for every new hire.

Update Job Descriptions

Make sure each role clearly outlines responsibilities, required skills, and reporting structure. Use these to set performance expectations from day one.

COMPLIANCE & POLICIES

Protect your business by keeping your policies current and your documentation organized.

Update the Employee Handbook

Review and update your handbook for federal, state, and local law changes (e.g., paid leave, minimum wage, classification rules). Communicate updates to all employees.

Review Key Policies

Double-check your harassment prevention, leave, and employee classification policies to ensure they align with current laws and company culture.

Maintain Labor Law Posters and Records

Display required labor law posters (both in-office and digitally for remote teams). Keep personnel and payroll records organized for at least three years.

EMPLOYEE ENGAGEMENT & RETENTION

Even small teams need strong engagement strategies to keep morale high and turnover low.

Start a Simple Recognition Program

Recognition doesn't have to be expensive—try monthly peer shoutouts, small spot bonuses, or thank-you notes from leadership.

Communicate Clearly and Often

Set regular team check-ins and use shared channels (like Slack or Teams) to keep everyone connected—especially if you have hybrid or remote employees.

Track Training and Development

Use a simple spreadsheet or shared drive to record completed training and future development goals for each employee.

HR TECHNOLOGY & TOOLS

Small businesses benefit most from simple, cost-effective tools that save time and reduce errors.

Use Payroll or HR Software

Automate time tracking, payroll, and tax filings. Tools like Gusto, ADP Run, or QuickBooks Payroll can streamline compliance.

Protect Employee Data

Limit access to employee files and store sensitive information securely (digitally or locked).

Track Key HR Metrics

Monitor turnover, new hires, and time-to-fill for open roles. These numbers can help guide your hiring and retention decisions.

WORKPLACE SAFETY & RISK MANAGEMENT

A safe workplace protects your people and your business.

Review OSHA and State Requirements

Confirm you have the right safety postings, training records, and incident reporting procedures in place.

Update Emergency Preparedness Plans

Review or create response plans for fires, weather events, and cybersecurity incidents. Communicate plans during team meetings.

Track Harassment and Bias Prevention Training

Document completion dates for required training to demonstrate compliance and reinforce a respectful workplace.

PLANNING & OPERATIONS

A little structure goes a long way in keeping HR efforts organized and proactive.

Create a Simple HR Roadmap for 2026

List key goals by quarter—like hiring targets, policy updates, or engagement initiatives—to keep your team on track.

Track HR Tasks and Deadlines


Maintain a spreadsheet or shared calendar for annual filings, benefits renewals, and review cycles.

Consider Outsourcing for Efficiency

If HR tasks are taking time away from business growth, explore outsourcing payroll, compliance, or employee relations support to a trusted HR partner.

READY TO SIMPLIFY HR IN 2026?

XpanseHR helps small businesses manage HR with confidence, from compliance and policy updates to employee engagement and recruiting support. Contact us to learn more.

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