

# December 2013 Essential Update

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The December edition of the Essential Update continues the theme of Strategic HR Management, focusing on the combination of short term staffing needs and long term staff development. With Christmas and New Year fast approaching, many businesses will be thinking of ways to cope with the summer rush. This month's Helpful Hint discusses the usefulness of students, not only to fill staffing gaps in the short term but also as a long term opportunity to develop future stars.

### Included in this month's update:

- **Helpful Hint** – Why Hire Students?
- **Did You Know?** – Sources of student recruits
- **Legal Latest** – Changes to the law around apprenticeships
- **Essential Essentials** – Casual employment - obligations

## Helpful Hint

### Why Hire Students?

The summer period is an exciting time for business, and opens wide a number of opportunities, particularly in the retail space. One business opportunity that Employers often overlook is the chance to get young adults involved in their operations while they are on holiday from school or University. Many people cringe at the thought of hiring students, however they can present significant opportunities for those who choose to cut them some slack:

- 1. Growing your own** – in many industries, particularly in the technical sphere, Employers look for experience. However, starting from scratch with a young person with little experience (but with theoretical knowledge and a thirst for learning) means that you have a blank slate to shape and train, without professional biases and with a lot of room for growth.
- 2. Youth and technical savvy** – What better way to bring your business into the digital age than hiring a young person to help get you there? Does your business lack a website or social media presence? Do your computers need upgrading? Do you know how to use your smart phone to get the most out of your day? Young people feel at home with these sorts of technology, and can help you maximize the technology you have, or get you upgraded you to the next level.
- 3. Learning** – It almost goes without saying, but most students (particularly at University level) are great learners, and are often eager to learn new things. What they may lack in experience, they make up for in ability to absorb new facts and processes, and may even be able to teach you a thing or two with their fresh sets of eyes.

**4. Wage savings** – When it comes down to it, all business owners are focused on the bottom line, and this is one sure fire way to see cost savings. Students are often willing to work for less than what a more experienced counter-part would demand for the same job. This is primarily because the experience they are gaining from you is far more valuable than the money they are paid.

It is still, naturally, necessary to recruit carefully: you still need to know that they have the right attitude and the ability to do the job (albeit with training). Assessing students with no professional experience, should as a minimum involve a check of their extracurricular involvements and their academic referees, so you can make an assessment of their attitudes and work ethic.

Employing our youth is something that in recent years the government has made an effort to prioritise, but it is up to business to make sure that they are doing their bit to nurture the workers of tomorrow. With the free time they have over their summer break, you'll find thousands of students out there now looking for opportunities to work. And who knows, you may have found yourself a valuable employee – even long after they finish their studies!

*- contributed by Jordyn Riley*

## For more information

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## Legal Updates

### Changes to the law around apprenticeships

A bill that proposes significant changes to industry and apprenticeship training has passed its first reading in parliament and has been sent to Select Committee for public submissions.

A review of the industry training system was initiated in 2011 in response to concerns about the quality and consistency of the industry training performance, despite funding having nearly trebled between 2000 and 2010.

The Industry Training and Apprenticeship Amendment Bill aims to address gaps identified by the review and ensure apprenticeships remain current with industry requirements.

The main thrust of the Bill is to ensure a robust apprenticeship system with input from industry. Specifically, the Bill proposes to:

- establish a comprehensive system, providing consistent support to all apprentices, regardless of age;
- focus Industry Training Organisations (ITOs) on two key functions: 1. setting industry skill standards and 2. arranging training;
- clarify the functions and powers of the New Zealand Qualifications Authority (NZQA) in relation to ITOs; and
- ensure organisations meet specific quality assurance criteria in order to be registered as an ITO.

Public submissions on the bill are due by Thursday 19<sup>th</sup> December 2013

[http://www.parliament.nz/en-NZ/?document=00DBHOH\\_BILL12615\\_1](http://www.parliament.nz/en-NZ/?document=00DBHOH_BILL12615_1)

## Essential Essentials

### Employing students on a casual basis

Casual workers are usually hired for short one-off business needs or ongoing irregular work, for example, a retail store needing extra help over the Christmas break. While employing someone on a casual basis offers some flexibility to the Employer, you must understand that casual employees have many of the same rights and entitlements as other workers – for example, they need an employment agreement which must be constructed to cover casual employment rights. They have the same Health and Safety rights and obligations as other workers. If in doubt, ask us.

Like any new employee, they'll also need to complete a Tax code declaration (IR330) form that includes their IRD number. If they don't give you a completed IR330, you need to deduct tax at the no-notification rate. Depending on your industry there may also be special requirements for employing casual workers. More information can be found at <http://www.ird.govt.nz/payroll-employers/make-deductions/special-workers/emp-deductions-special-workers.html>

## Essential HR News

### New website and branding

We are excited to announce the launch of the new Essential HR website! This has been a long time in the making and our thanks go to Amanda from Delineate and Briar from BeeOnline and all the people who have contributed to making it happen. The content has been updated to better reflect our services and it's all wrapped up in some fresh new branding centred around the idea that successful businesses have their HR 'Building Blocks' in place. We invite you to take a look and welcome any feedback – [www.essentialhr.co.nz](http://www.essentialhr.co.nz). You will also find the latest legal updates and points of interest in the "Keeping you Posted" section.

## Whereabouts over Christmas and New Year

Our office will remain open until 5pm on Monday 23<sup>rd</sup> December. From the 24<sup>th</sup> of December we will be closed until Monday 6<sup>th</sup> January. We will return in the New Year refreshed and ready to help with all of your people needs.

Mike will be on his cell for emergencies.

Our team wishes you all a very merry Christmas and a safe and prosperous New Year.

## Did you Know?

If you are considering hiring a student over the holidays, the Student Job Search website ([www.sjs.co.nz](http://www.sjs.co.nz)) is a good place to start. You'll also find some useful resources for employers including industry average pay rates for students. Other sources of student recruits include Trademe and Seek.

It is also important to note that the tax credit for hiring children has been repealed and school students will now need to complete an IR330.

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